THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

November 9, 1946

SINO-AMERICAN TREATY

AN EDITORIAL

Control Of Piece Goods Prices

By Ben Y. Lee

Reds' Land Reforms

By Shen Chien-tu

Nazis' China Espionage Ring

By Joseph Froomkin

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AN EDITORIAL

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

China, Oh China

To The Editor:

On the eve of the opening of China's National Assembly, it may help to enlighten the Americans in China and at home as to how this coming conference was constituted. It is time now for the United States public to know that the Truman Administration's aid to Generalissimo Chiang Kai-shek's regime may be a good policy in making China a buffer state against the Comintern. One should not be deluded into imagining that the White House's assistance to the Kuomintang is in any way helping to make China democratic. On the contrary, America should be ready any time to meet a China that might become the most nationalistic, autocratic and anti-democratic country, thanks to President Truman's actions. Like a Frankenstein monster whose first act was to kill its creator, a despotic China may first kick the United States as soon as Chinese Fascists feel that they have been given enough nourishment to kick their patrons in the back.

The *Weekly China Mail* on October 24 published two letters pointing out that representatives of the coming assembly were "appointed" and Anglo-American liberalism was most severely persecuted in China. They further proved their point by telling us that the gentleman who got most votes in the 1936 primary in Kwangtung was kicked out because he was a pro-Anglo-American political philosopher. In fact, the background of the coming assembly is composed of opposition to Anglo-American political ideals. Imagine, America is paying to keep such an opposition after she criticized so much the appeasement of Chamberlain!

Kwei Kai-shin, author of the letter appearing in the *Weekly China Mail*, added:

"The ruling class of China today apparently wishes to inform the world that China is going to be democratic. The Kuomintang Central Executive Committee system was copied from the Communist Party. Their secret police was modeled after the Gestapo, OGPU and the Kempeital, as (a writer in) the *China Weekly Review*, an American periodical in Shanghai, points out.

"Officially we are informed that there are no secret police, no concentration camps, and no personal and party dictatorship....Actually the facts prove to be otherwise.

"China is today more autocratically ruled than in any other period of her long history.

"Nowadays, the suffering masses have been deprived of their chances to overthrow their ruling classes who have abused the heavenly mandates. Both the armed political parties—the Kuomintang and the Communists—are supported by alien forces materially and ideologically.

"Democracy as we understand it does not seem to have any chance in China."

Many who have studied China problems objectively and impartially may arrive at a similar gloomy observation. China may be made strong with America's aid. But China, oh China, is she going to be democratic through concentration camps and persecutions of pro-Anglo-American political idealists?

JOHN C. LEE.

Hongkong,
October 26, 1946.

Thanks, Reader

To The Editor:

One thing I like about the *Review* is its impartiality. There is more freedom of expression in the *Review* than in other papers. This, I think, is especially true in the "Letters From The People" column where readers may freely express their opinions, some of which are valuable and some, of course, are nonsense.

I hope China some day will be a "nation of the people" in which all her nationals may voice their opinions and criticize the state as freely as the readers of the *Review* in the "Letters From The People" column.

A.B.C.

Kweiyang, Kweichow,
October 22, 1946.

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He Who Runs....!

To The Editor:

General Chang Fa-kwei, director of the Generalissimo's Canton Headquarters, arrived at Liuchow on October 23. Local newspapers commented on the visit under such captions as "Victorious General Is Welcomed."

The Liuchow authorities, in trying to stage a mass welcome rally the next morning, forced all the civil servants, soldiers and the people to attend the meeting, much against their will. Flags, banners of welcome, etc., were to be prepared with more elaborateness than on the Double Tenth. Of course, the local authorities considered these very important items to flatter their leader.

At the meeting, however, the general frankly admitted, "I am very glad to be in Liuchow, but I am sorry that I had misdirected my troops and caused a great loss to Kwangsi Province during the Kwangsi-Kweichow military reverses two years ago." Are you sorry indeed, Mr. Victorious General?

Every refugee knows how our troops fought on the battlefield then. They not only fled, but were far, far ahead of the fleeing refugees. They hardly fired a single shot against the enemy, but they used their guns to drive aside the refugees on the highways so they could flee faster. The enemy ran after the refugees; the refugees ran after the troops. The enemy overtook the refugees, but the refugees never overtook the troops. That was the most shameful page in the history of the Sino-Japanese war. Who was the commander-in-chief? It was the famous Victorious General Chang Fa-kwei, former commander of the 4th War Zone.

Don't worry, Mr. General! You not only did not misdirect your troops, you have become famous because you directed your troops so well and retreated so fast that nobody could catch up with you. Why didn't the welcome bills simply say: "You are loyal to your party and patriotic to your country?"

Can you really doubt that such a "Victorious General" is worthy of a welcome.

A YOUNG READER.

Liuchow, Kwangsi,
October 26, 1946.

The Gods Return

To The Editor:

I have just read Mr. Hsu Chun-yuan's article "留學制度，留學生." in a Chinese weekly, "*The Observer*" (觀察). I believe it has profited me a great deal and I'd like to call the attention of those of your readers who wish to go abroad to pick up a copy and read the article through with a cool head.

Below is what I feel bound to write about: It is a ridiculously mistaken idea of almost 99 out of 100 people in this country that if one wants to have a successful career one must obtain the highest academic degree. Otherwise one has to depend upon his luck in order to advance himself in the world. Therefore, young people consider studying abroad their chief aim in life. Many fathers consider sending their children abroad their glorious duty. Returned students are gods, and gods can do everything. What say you to this, Mr. Editor?

The idea is probably due to what Professor Feng Yu-lan termed "the inferiority complex of a colonial man." (殖民地人的心理) Once a bigwig in Sian asked me, "Why not try to go abroad? When you return, you can easily become a minister. Our ministers are all returned students." This man is now talking about democracy. Well, his democracy is like his idea of returned

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students.

Moreover, those whose fathers have the rocks can go abroad and when they return they'll lord it over us penniless country cousins and be our superiors. The government is in the hands of the rich and though poor students are allowed to participate in some sort of an examination when they want to go abroad yet chances are few but tricks many.

The only remedy lies in encouraging every youth to study in order to gain knowledge and ability. We should honor the ablest and the most learned no matter whether they have acquired their abilities and learning in China or abroad.

I don't mean, however, that we must not send students abroad. On the contrary, we should send all who need go abroad to study and can really profit by going abroad but not every Tom, Dick and Harry and especially those who have nothing but vanity and rocks. And the returned students should not think themselves superior in every respect to their fellow countrymen. They ought not to expect too much upon their return but ought to begin from the beginning like everyone else.

P. Y. WANG.

Pucheng, Shensi,
October 29, 1946.

Only Asylums?

To The Editor:

The *China Mail* on Oct. 25 published a letter about an American, Harrison Forman, part of which is quoted below:

"With Robert Ward and a Chinese scholar still persecuted by his own government for his democratic views, Harrison Forman was one of the very few Americans who helped to build what is now known as the China Democratic League. In those days Japanese peace ambassadors occupied big rooms in the Peninsula Hotel and were in constant touch with Chinese leaders, mostly Japanese and German educated and influential, for a separate peace amounting to China's surrender. Opponents of defeatism, mostly of the intelligensia class, were depressed and downhearted.

"Forman, Ward and the persecuted and forgotten Chinese got in touch with these intellectual leaders one by one, encouraging them to continue the war. There was then an outcry for a 'De Gaulle Movement,' should Chungking adhere to capitulation. An organization and a newspaper sprang out. The Kuomintang's Central News repudiated from Chungking that there was ever such an organization as the China Democratic League.

"Back in China, Harrison Forman wrote observations that the Communists were better governors than the bigwigs. He was blacklisted and considered persona non grata.

"But it is now time for those who plan for the defense of liberalism and bills of rights to appreciate men of Forman's caliber. It is a pity to see London and Washington supporting a regime whose aim is the negation of liberty and free institutions. If they do not change in time, another Munich may have to come."

While copying this letter, local morning papers reported that "Chinese military officers, Chinese soldiers and even Chinese officials" came to the British colony. "They are said to have harangued the crowd, which grew bigger and angrier. A few stones were thrown and suddenly the riots started, being directed at all Europeans and spreading rapidly over the Yaumati area."

It was "one of the worst demonstations of hooliganism against law and order," said the *South China Morning Post* on Oct. 27. The riots lasted more than 10 hours and the area involved was "littered with hundreds of stones and bricks and became a No Man's Land as

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soon as renewed attacks started. "One officer described the riot as one of the worst he ever had seen."

It is very likely that the Kuomintang authorities in Hongkong will use all the financial resources contributed from England and America in conducting anti-British propaganda in particular and an anti-Anglo-American movement in general.

There is every reason for the Kuomintang to agitate for the retrocession of Hongkong, Macao and Kowloon. These are the only places where their secret police, concentration camps and control of thought measures cannot be applied freely. They are the territories which begot Dr. Sun Yat-sen, the Kuomintang's founder, who used these areas as bases for spreading anti-despotic theories. They are the only asylums where believers in free institutions cannot be molested, shanghaied and liquidated. These are the places where poor people can buy cheap rice and rationed knitting wool. That is why the Kuomintang agitators want Hongkong.

CHARLES A. YOUNG.

Hongkong,
October 28, 1946.

Out, Imperialism!

To The Editor:

A peanut vendor was recently killed at Hong Kong by a mere kick from a British cop which caused great alarm and dissatisfaction among the Chinese.

The brutality is indeed inconceivable which I believe is comprehensible only to those British gentry who having once been kept in the concentration camps well knew what cruelty was. Now they apply it to Chinese people. What a pity!

What backs up the cop's "guts" and what emboldens him to do such an inhuman act is perhaps the so-called "Spirit of Royal Imperialism." Evidently in the eyes of the cop, the peddler is nothing but a subject of the colony. However if such a conception is allowed to exist, I am sure similar incidents will occur again in future. Those Chinese tax-payers who unluckily take up residence at Hong Kong will sooner or later be kicked to death one after another.

The crux of the problem is not how much should the cop pay to the family of the victim as compensation; nor to what an extent should the cop be punished. The lives of the independent Chinese at Hong Kong should be protected; their right and freedom should be upheld. China is a big and independent country, not a colony nor a settlement.

Now that World War II is over, I feel ashamed to see that Imperialism still exists. Down with Imperialism!

CHENG PAO-MING.

Tsingtao, Shantung,
October 30, 1946.

Do-Nothing Minister?

To The Editor:

I am indebted to Mr. M. T. Y. for enlightening me upon the point of grammar I brought up in my letter to you in the September 14 issue of the Review but here I have another which is found on page 205 of the October 19 issue. It is "the post of Minister without portfolio." I have asked many of my friends about the function of such a minister but none has given me a satisfactory answer. It is translated "不管部長" in Chinese. The translation sounds as simple as it is absurd "不管" means nothing-doing. It would be unreasonable to say that the minister does nothing all day long. Please enlighten me.

P. Y. WANG.

Pucheng, Shensi,
October 30, 1946.

(A minister without portfolio is a member of the Cabinet without designated office or ministry. He usually is assigned special missions or duties requiring the attention of an official of Cabinet rank.—EDITOR.)

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"Scram"

To The Editor:

In Mr. Chang Tao-shing's article "Constitutional Government Still Thing of Future for China," I think he has told us some pertinent facts concerning the People's Congress. He also said that China is "on the way to constitutional democracy." Doubtless, we all believe democracy is the thing for China and we may say now that all parties are working hard to put her on that road.

There are many people who have the habit of branding those whose opinion differs from theirs as either KMT or CP mouthpieces, disregarding whether their opinion is true or not. To these people we shall have to say: "To hell with them."

Now is the time for us to form the habit of accepting criticism and of facing the truth courageously if we are to have democracy at all. As freedom of speech is the lifeblood of democracy we have a lot more to learn yet before we reach our destination.

ANOTHER CHINESE.

Kweiyang, Kweichow,
October 23, 1946.

UN And Peace

To The Editor:

Recently the opening of the UN meeting and the complicated issues that it is going to discuss have made us feel that it is worthwhile to know more about UN and its work. Last Sunday 10 of my classmates of college days grouped together and discussed the problem, "Can UN help to bring peace to the world?" Of course, some said yes and some said no. To save your valuable space, I will only mention the main points discussed.

Someone said that UN will find it difficult to bring about peace, the reason being that two opposing forces, capitalism and communism, are still exercising their influence to hinder agreement on complicated world problems.

Someone also pointed out the mistrust or suspicion between America and Russia also plays an important part in determining the success or failure of UN.

Two or three pointed out that UN will help to bring about peace if all the actors on the international stage know that human beings can't stand another world war. An atomic war would really bring hell to this earth.

In conclusion, we were agreed that three important factors will more or less determine the success or failure of UN. We sincerely hope that sincerity among the nations, the cultivation of trust, and the conviction that we can't suffer another world war will surely bring UN great success. If so, peace long will remain with us.

BOB.

Shanghai,
November 1, 1946.

Complicate Matters?

To The Editor:

After the Allied victory over Japan, China is unfortunately led again into an internal strife. Since China is an important cornerstone of future world peace, her present domestic troubles have called forth many serious and anxious comments both in and outside of China. It is a regret that owing to lack of information about China, many political commentators have been led into error in shaping their ideas serving only to complicate matters.

High-sounding outcries as "Down with one-party rule" have been raised by the Communists, and, without due consideration, have been accepted by a consider-

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able number of our fellow-countrymen and Americans. In regard to these suggestions, I should, as a non-partisan Chinese, express my views sincerely.

It is a first step to snatch political power, we must know, that the Communists insist on the immediate abolition of the present "one-party rule" and the organization of a coalition government. They repeatedly declared that they would whole-heartedly follow the Three People's Principles, but they forget that according to Dr. Sun our national reconstruction is divided into three periods, one of which is the "political training" period, or, as the Communists call it, "one-party dictatorship." It is obvious that the present "one-party rule" in China is but a means to a lofty end, not an end in itself. But the Kungchantang, treacherous as it has been, has put aside this very realistic fact and insists on the formation of a coalition government as the only remedy. If we study the history of the French Government in the last century, it will be easy to find out the defects of such a government and be warned of its failures.

Nevertheless, the present Government in China, I must confess, has to be reformed, and present politics democratized. The basis of the National Government should be widened on condition that the widening does not destroy the legal system of our country. The National Government can be reorganized, but it must be based in spirit on the Three People's Principles.

Also, "Cease fire unconditionally" and "Oppose U. S. interference" are strongly voiced by the Communists. It should be realized that the Communists' desire for unconditional truce is, as the *New York Herald* pointed out, because of their military weakness. They desire the withdrawal of U. S. troops from China, which they dream, would make possible their large-scale military operations against and the final overthrow of the National Government, all without foreign obstacles. They compare the stay of U.S. troops with that of the Russian Army. But we must remember the prolonged stay of U.S. forces in China is on the legal basis that they are invited here by the Supreme Commander of the China Theatre to assist China to complete the unfinished work growing out of the war.

As to the U.S. untiring effort to bring unity and peace in China, it has greatly been appreciated by many Chinese, but most disliked by the Communists, who condemn it as U.S. interference in Chinese internal affairs. They desire a long-term chaos in China, which would afford them a favorable condition to spread the seed of Communism throughout the country. Their alternative desire of an unconditional truce which would be equivalent to having the Government acquiesce the regime established in their "liberated districts," thereby affording them political capital in their future negotiations with the Government. So in order to attain this goal, they would not see any American mediation. Since in an independent state there cannot exist two rival governments and two opposing armies, can the Chinese National Government bear any longer the strains of a rebellious government which intends to overthrow it?

The Chinese people, however, hope that General Marshall and Ambassador Stuart will continue their efforts to help China solve her ticklish problems.

LAI HIN-TING.

Canton,
October 12, 1946.

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Sino-American Treaty

THE Sino-American treaty of friendship, commerce and navigation signed in Nanking on Monday, has already aroused widespread comment throughout the nation. It is another milestone in the history of China's commercial intercourse with the outside world. But while it is still too early to predict results, certain factors do stand out.

The chief fact that emerges from consideration of the pact as it stands is the fact that it was signed at one of the most crucial periods in China's post-war history. Perhaps the best gauge of its present importance came from a Chinese official who, rather naively but most analytically, remarked that it would "strengthen Chinese morale." Just what he meant by that remark we can guess. For, any way you look at it, the timing of the signing was most opportune for the government and its supporters. That is a point which was not lost on either Washington or Nanking, but especially the latter. In other words, it was another feather in the cap of the government, at a time when the government needs every ounce of prestige that it can get.

Otherwise, the treaty as a whole—that part of it which has been published—reads well. We say "reads well" meaningfully, for conditions in this country being what they are, any treaty means as much as the Chinese government can, or cares to make it. We will go on record as believing that the negotiators on the Chinese side meant well and were sincere in their efforts. But does sincerity in the heart amount to sincerity in practice. That, of course, is quite another matter.

It seems to us that the principle of reciprocal treatment can mean something to a Chinese firm in the United States, but it is yet to be proved that it means much to an American firm in this country. Taking a simple matter such as travel permits. As far as we are concerned, any Chinese can travel the entire length and breadth of the United States without the need of so much as a single "regional travel permit." That brainchild of bureaucracy, found in China today, has absolutely no parallel in the United States. In that respect alone the Chinese commitment in the Sino-American treaty and the travel regulations as practised by the Chinese government today are at distinct variance.

In the matter of taxation, registration, and so forth, other divergencies between the stipulated theory and the fact in practice could be drawn. But we believe we have made the point clear. True, China is not yet bound by the articles of the treaty, the latter not having been ratified yet, but the mere spirit of the present regulation is in radical contrast to the spirit of the treaty entered upon by the two governments. And that is something that must be corrected, and corrected soon.

In its general aspects, however, the treaty has much to recommend it. For America's part there is nothing to indicate that the "Open Door Policy" enunciated half a century ago by Hays has been dropped. There is no "exclusion clause" forbidding either party to enter upon the same or a similar accord with third parties. Nor is the "most favored nation" principle violated in any article. The underlying principles are therefore in conformity with the "Four Freedoms" in the economic plane. Neither side can be accused of having any ulterior motive, or of having exerted any kind of pressure during the negotiations.

In one respect, of course, the treaty is more favorable to the United States. That is insofar as the "most favored nation" clause applies. It is obvious that the United States is in a position to compete with other Occidental powers in the commercial field in China, whereas Chinese private enterprise will have to wait a long, long time before it is able to compete on the American market. However, that will depend not upon the U.S. government, but on the ability of Chinese manufacturers and exporters to do business on a competitive basis.

Were the present treaty put in force today, and every one of its clauses to become a reality, one could be confident that it would require neither revision nor abrogation for at least a decade or two. Under the present conditions, the question is not so much one of revising clauses, but of making it possible to put them into force. Until such a time as every article and stipulation will have become a *fait accompli* we shall reserve judgment.

In One Easy Lesson

THE day the national constitution is adopted, democracy in the true sense of the word will begin in China.—*Ta Kung Pao.*

Canton's Beggar "Dump"

COPIES of Chungking newspapers reaching here last week report that Canton authorities are solving the city's beggar problem by rounding up all the unfortunates found on the streets, trucking them 30 li from town and dumping them on the countryside.

Such a method may have the beneficial effect of cleaning the streets of beggars, loiterers and unemployed, but it doesn't seem to be either a real solution or a very humane one, since, according

to press reports, large beggar camps have grown up around the city and the authorities so far have done nothing to aid the beggars, leaving them to forage for themselves or die.

This type of action well demonstrates one of the most serious shortcomings of many of present-day China's so-called leaders. They are educated men. They can quote Confucius and San Min Chu I at the drop of a hat. Many, we admit apologetically, hold degrees from American universities, proclaiming them to be Masters or Doctors of political science, of history, etc. Despite such abilities and achievements, however, they have about as much social consciousness as their ancestor, the Peking Man, who lived in North China approximately 500,000 years ago.

While social consciousness or social responsibility, as it is known in the West, does not exist in China, it is only among officials and the wealthy that it seems to be almost totally extinct. Witness the wealthy who, at infinite expense, build great walls around their mansions and keep their houses and gardens in perfect order, yet live facing alleyways too filthy and narrow to be frequented by anything but rats. How many times do we see some unwary pedestrian splashed with a bucket of filth which some housewife, without looking, throws into the public street because she doesn't want it dirtying up HER house?

The attitude of looking out for oneself, while the rest of the town, province or nation goes to hell may have been okay in the days when China was in such an advanced stage of feudalism that the people in the rest of the world were correctly referred to as "barbarians," but it will not do today.

While the "barbarian" countries have undergone some very shaking changes in the past several centuries and, for the past few decades, have been making feeble but continued attempts to organize the world in a responsible and orderly manner, China continues to be in a state of "advanced" feudalism. This sorry plight can be laid largely at the door of the official class, which not only still behaves in the manner of a feudal lord, but *thinks* in the manner of a feudal lord.

Until such time as China's ruling groups begin implementing the Three People's Principles; until such time as Communist and Kuomintang officials cease yelping about how they are fighting for the people, while at the same moment committing thousands of them to death on the battlefield; and until such time as Canton's officials cease "solving" the beggar problem by dumping them on the countryside, China will remain the world's outstanding example of how to remain a half century behind and the Chinese will remain the world's most unhappy people.

New Currency Due?

THE country's major commercial and financial centers are again buzzing with the rumor that a new currency, the so-called "Sun" dollar, is due to make its appearance. But while such rumors no doubt do some people a great deal of good—meaning speculators on the clandestine foreign exchange mart—they definitely can do the nation's economy nothing but harm. Every new rumor tending to undermine what little confidence there is left in "fapi" does no more than strengthen the inflationary tendency already so visibly manifest all over the country.

It would appear that the more denials issued by government spokesmen, the more the "experts" shake their heads as if to say: "The more you try to 'cover up', the more we are convinced that you have something up your sleeve."

It is therefore necessary to examine the entire currency question in terms of facts, and not in terms of maybes and ifs. As far as we can see, most people cannot differentiate between a change in the currency and a change in the factors which create inflation. And it must be obvious that the two things are entirely different. For in actual practice you can change the unit of currency a hundred times, but so long as you do not change the factors underlying the weak economic foundations of a nation, no appreciable good will result and much harm may be done.

One fact which many people forget is that there already has been, to all intents and purposes, one change in the nation's currency. That was the change-over from the puppet CRB, FRB and "Manchukuo Gobi" currencies to CNC. This of course did not affect the entire country, but since the change-over took place in the leading commercial centers the same results could be expected were a change made from CNC to the so-called Sun dollar. If we recall that the change-over from CRB to CNC did not lead to any stabilization of prices, but rather to a continuation of inflation, it must be obvious what the result of another change of currency, without a simultaneous change of the nation's basic economic trends, would be.

That the nation eventually will have to change its unit of currency is of course obvious. But now is definitely not the time. For so long as the civil war rages, and the nation's economic structure is not on a firm foundation, no betterment of the currency situation can be expected. That is why the prerequisite to a change in the unit of currency is the re-establishment of normal trading conditions within the country itself, and between this country and the remainder of the world. Not until there is something approaching a balanced national budget and a comparatively favorable balance of trade can any Chinese currency be strong enough to warrant the people's confidence and bring the inflation spiral to an end.

It must be clear that a Chinese dollar by any other name would still be a Chinese dollar. A "Sun" dollar backed by something tangible, by something worth more than mere printed bits of paper, would be different from a "Sun" dollar depending upon the same backing as the existing currency. Up to the present, however, no such backing has appeared.

It is therefore clear that before any new currency is issued, the following requisites should be met:

a) The civil war must be brought to an end and all communication lines restored;

b) A large foreign loan, preferably in specie, is required which could be utilized as backing for the new national currency;

c) The creation of a better balance between imports and exports, with the latter in a more favorable position than at the present time; and

d) The drastic paring down of governmental expenditures, and a heavy increase in revenue, so that something approximating a balanced budget would result, thereby rendering unnecessary the continued use of the printing presses.

None of these factors is present today. And since they are imperative before any change-over to a new currency is contemplated, such a change would not only bring negative results, but might jeopardize the entire economic structure of the nation.

New Hero

A REUTER dispatch from Moscow declares that the world's highest ore mines have been opened on the slopes of the Pania mountain range in Central Asia at a height of 8200 feet, and will be connected with the nearest railway station "by traveling 15 miles via the *Funicular* railway." No doubt named after the valiant Funicle.

Overseas Difficulties

SINCE our remarks two weeks ago about China's short-sighted policy as regards her nationals living abroad, there have occurred a series of "incidents" which point up the problems faced by Overseas Chinese.

In the two weeks since our editorial was written, there have been reports of additional Chinese-native difficulties in the Philippines, Indo-China, Siam and Korea. As we said at the time, the root of the trouble lies in the fact that the Chinese emigrants, who usually have greater abilities than the natives in the rest of Asia, soon assume a dominant economic position and obtain a firm grip on the national economy. Such a situation is bound to be resented by the earlier residents who feel that the "foreigners" are exploiting them.

It is at best a bad situation and one that must be handled with care. The present Central Government drive to organize Overseas Chinese politically and to foment discrimination against those whose political views do not conform to Nanking's is indeed dangerous and may well do irreparable harm to all Overseas Chinese communities in Asia. Further, as long as China insists upon dual nationality for Overseas Chinese, she can expect opposition from the native governments and/or the colonial regimes.

With China's economy worsening almost daily, she is in ever growing need of financial support from Chinese communities abroad. Therefore, we think that it would behoove Nanking to cease its politicking in the Philippines and other areas and devote some serious thought to how the friction among Chinese and native peoples throughout Asia can be reduced.

Two weeks ago we said that the Central Government policy of siding with the reactionary Roxas political machine in arresting and deporting left-wing Chinese in the Philippines would certainly lead to no good and might lead to the eventual expulsion of all Chinese in the islands. Early this week Alfonso Z. Sycip, president of the Philippine Chinese General Chamber of Commerce, told listeners in Nanking that he feared that unless the Central Government intervened, soon all Chinese would be driven out of the Philippines. How is Nanking now to intervene, since it has already condoned the deportation of "undesirable" Chinese?

In Korea more than 200 cases of violence against Chinese residents were reported by Wang Chi-tang, representative of the Chinese Chamber of Commerce there. From Indo-China comes a report that the 600,000 Chinese living there are being oppressed by the French authorities, while press dispatches from Bangkok early this week reported a large scale riot between Siamese and Chinese on the occasion of the Generalissimo's birthday.

Clearly the time has come for some positive and sensible action from Nanking. Continuation of the present policy which seems aimed at maintaining political loyalty to the conservative side of the Kuomintang and at unashamedly milking the Overseas Chinese of their savings, will certainly cause China to lose one of her most valuable assets.

Permanent Job

General Marshall still is busy again as trouble-shooter in China. After a year at it, off and on, he seems to have a permanent job.

Shanghai's Book Shortage

ALTHOUGH more than a year has elapsed since the end of the war, Shanghailanders have been unable to obtain foreign books in any worthwhile quantities. Meanwhile, the local printing industry—suffering from the general economic stagnation—has not resumed publishing except on an extremely small scale.

While the main reasons why readers have been unable to obtain copies of foreign books published during and after the war are the world paper shortage, which affects publishers abroad as well as here, and the shipping difficulties, some local officials have done their best to make the situation worse.

Customs and other port officials, apparently unconcerned about the truly great need among Chinese students for new technical books, have handled what few shipments that have arrived in much the same manner as they have handled automobiles and other commodities. That is, they apparently figure that there is a demand for books and therefore, books, like everything else, must pay squeeze to the all powerful officials.

Such an attitude is not only criminally stupid but utterly preposterous because books are permitted to enter China and most other countries duty free and generally are not even subjected to inspection unless there is some suspicion that their contents may be obscene. Nevertheless, we are told, whenever a case of chemistry books, novels or what have you arrives, it is held up for days or even weeks on one pretext or another, waybills are temporarily "lost," cases are misplaced. The result is that the book importers

pay the squeeze like the rest of us, and then pass it and the other "incidental" expenses along to the customer in the form of increased prices.

So far the only method of circumventing the foul mess which currently prevails along Shanghai's waterfront is to have books shipped one or two at a time by mail. This, of course, adds considerably to the eventual Shanghai price of the book, but results in much speedier delivery, since the postoffice passes them along with the minimum of delay. However, such a method cannot continue indefinitely since it is at best a temporary expedient and is quite unsatisfactory when large shipments are involved.

The fall school term is well underway and the city's bookstores are crowded with students attempting to obtain scientific and other reference works imported from abroad. Although world shortages will prevent most of them from buying the books they need and want, it does seem a shame that the shortage is unnecessarily made more acute and the price more steep by the greedy guardians of the port who have decided to add the already impoverished students to the already long list of those from whom they exact tribute.

25 Years Ago In Millard's Review Of The Far East

November 12, 1921.

Peace In Pacific

"China's chief motive in participating in the Washington Conference is to truly assist in the establishment of the rule of international assistance. This done, no matter the country or the issue, righteousness and equality must govern. Thus may the peace of the Pacific and the Far East be eternally guaranteed."—H. E. Hsu Shih-chang, President of the Republic of China.

• • •

Chief Industry: Politics

When Lord Northcliffe, the owner of the *London Times*, was in Washington a few weeks ago he made the remark that the city of Washington, D.C., was the largest city in the world, the chief industry of which was politics. This was a happy description of the American capital city which is to be the meeting place of the Conference on Limitation of Armament and Pacific-Far Eastern Problems. The business of Washington is politics, American politics chiefly, but now rapidly becoming an important center for world politics.

10 Years Ago in The China Weekly Review

November 7, 1936.

Gas Masks In Demand

The renewal of armed clashes on the Soviet-Manchukuo frontier near Hungchung in which the Japanese-Manchukuo side has sustained rather heavier casualties than officially admitted, has intensified the rush for gas masks and suits now on sale at the Harbin municipal offices. Capt. Onozaki, the head of the Air Defense Association, has exhausted his entire stock of these articles and now accepts only orders for future deliveries.

• • •

Tipping Abolished!

The controversy over the system of tipping in Nanking has tentatively been settled by an order of the local branch of the National New Life Movement Association postponing the enforcement of the regulation abolishing "wine money" which was declared nationally effective October 1. The regulation has never been enforced, nor has there been any move on the part of the public to insist upon compliance with the rule.

Kagawa Praises The Mikado

(From the Des Moines Register-Tribune)

A GOOD many Christian denominational groups were disposed to defend Toyohiko Kagawa, the distinguished Japanese Christian and co-operative leader so well known in this country, when he declined to resist the Japanese warlords' imperialism.

He didn't stick his neck out much during the war or even when it was being planned, though he did disapprove many of the militarists' policies.

But since the surrender, he has been sticking his neck out a good deal to defend the Emperor system not merely as an element of continuity for a badly shaken people, but for reasons remarkably like those which the militarists themselves concocted to justify their despotism!

Here, for example, is some of Kagawa's argument in the magazine Shinsei:

"As an expression of the eternal life of a state and also of the preservation of a pure social heredity, there exists nothing superior to Japan's Imperial Family.'... The orderly progress that Japan has been able to make since the Meiji Restoration (of the Emperors in 1869) is due entirely to our creative achievements through unity under the Imperial House.....

"The masses are blind.... When the militarists lost their faculty to terminate the war and their selective judgment, the Imperial House alone was in a position to act by showing the people precisely where to stop.

"I believe that in all the world only the Imperial House of Japan possesses this amazing divine power of selection.....

"The sovereign in Japan can be regarded as an incarnation of social morality....."

Probably it isn't fair to jump all over any Japanese for not sharing our deep republican distrust of their "divine" Emperor.

But there is a wide variation of attitudes toward the Emperor by those who favor keeping him all the way from Bronze Age God-Emperor to British-style figurehead.

And Kagawa especially surprises us. He turns out to be more imperialist even than the Emperor himself!

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Can Textile Control Committee Regulate Piece Goods Prices?

By BEN Y. LEE (李炳徐)

THE recent hike in cotton yarn and cotton cloth prices has been much commented upon both by the press and by government officials and appropriate measures for tightening the control of cotton textiles as well as for stabilizing prices frequently have been discussed. The Textile Control Committee under the chairmanship of Mayor K. C. Wu has reached a decision to institute full control over production and marketing. Warnings were given in mid-October by high government officials that if the price continued to rise the Government would be forced to adopt the measures practised in wartime whereby the Government supplied the cotton mills with raw materials and the mills in turn handed over their finished goods to the Government at a legitimate profit. It is welcome news that the Government is determined to take a hand in dealing with the situation which has been raging on the yarn and piece goods markets these past few months.

Under the strict surveillance of the authorities the speculative atmosphere of recent weeks now has subsided considerably, but reluctance to sell on the part of stock holders and millowners limits the volume of transaction to a very small scale. Yet rumors are still persistently circulating to enhance the prospect of speculation. In the meantime cotton mills are making the largest profits in their history on account of the large increase in the prices of yarn and cloth, which is chiefly attributable to scarcity of cotton textiles in the interior after eight years of devastating war. With forward foreign exchange rates being officially revised, higher yarn and cloth quotations rise proportionately. Following the upward tendency of New York cotton quotations new highs for cotton goods are reached in Shanghai. Another important factor is that idle funds seeking investment stimulate the yarn market.

Control Measures

Yarn and cloth trading on the local market is almost entirely monopolized by imported supplies; hence all quotations for domestic cotton are purely nominal. Whenever New York cotton is up, domestic cotton rises correspondingly. Recently local market quotations were only nominal and whatever business there was, was done outside the market, on what is now called the Black Market. Fundamental factors still favor advances of price and the selling is readily absorbed. Long-range forecasters declare that the whole outlook seems sufficiently bright to warrant the expectation of higher prices as the whole world is short of textiles and raw cotton. Textile prices are rising not only with increased demand but also with the rising yarn prices, which in turn reflect the higher quotations on the New York cotton market.

1,000,000 Spindles Ordered

To meet the urgent demand for cotton goods Chinese industrialists have placed orders for more than 1,000,000 spindles in America and Great Britain besides second-hand machinery which is being bought direct. We are confident that China will stage a swift recovery on postwar rehabilitation and expansion of the cotton mill industry. It is expected that at the end of 1950 China will be operating 7,000,000 spindles.

Effective steps to stabilize textile prices seem to be the only means to remedy the current shortage of supplies so that the market may be successfully controlled and prices maintained at suitable levels until supply balances demand. A stabilization of prices would encourage the supply of goods to a certain extent, but supervision over the operation of the system requires wisdom and experience in order that such optimism may not be completely groundless.

The devastating war hit China especially hard in the textile industry. Due to the shortage of cotton spinning machinery and supplies prices of textile products are higher compared to many other commodities, with 1937's level taken as a norm. For instance, the price per bolt of 40 yards of 12 lb. grey sheeting was quoted at about CNC$7 in 1937. Today it is quoted at $86,000, an increase of more than 12,000 percent, while the increase in the price of rice between 1936 and 1946 is 5000 percent. It may be concluded that the difference in prices of different commodities is mainly due to supply and demand, and not so much to alleged speculation, on which we are accustomed to lay the blame. As soon as the urgent demand is satisfactorily met the exorbitant price will find its own-level or in other words, when supply is equal to demand, prices will naturally be lowered.

The present and past situations of China's cotton mill industry are briefly given in order that the current distortion of supplies may be visualized. The particulars are as follows:

	1936	1946
1. Total spindles-inc. Manchuria	5,100,000	4,320,000
2. Total looms	47,060	59,500
3. Domestic cotton crop in piculs	14,508,000	6,000,000

Facts And Figures

The imports and exports of cotton textiles from 1931 to 1937 inclusive are shown as follows:

	Cotton Goods Imported	Cotton Imported in Piculs	Cotton Goods Exported	Cotton Production in China
1931	$188,400 (000)	4,650, (000)	yearly average	6,300(000) piculs
1932	139,800	3,710	$29,000,000	8,100
1933	71,300	2,990		9,780
1934	35,800	1,930		11,200
1935	27,700	1,000		8,145
1936	18,200	800		14,500
1937	21,500	307		10,650

The following might help one in visualizing the diverse increases of important magnitudes pertinent to the textile industry:

	March 14, 1946	Oct. 15, 1946	Increase
1. Cotton yarn 20's Double Horse special	$1,050,000 per bale	$2,300,000 per bale	119%
2. Tai Chung native cotton	$ 85,000 per picul	$ 214,000 per picul	160%
3. Dragon Head f2 lb. grey sheeting	$ 55,500 per bolt	$ 86,000 per bolt	55%
4. US 7/8 inch cotton Shanghai market	$ 87,000 per picul	$ 267,000 per picul	225%
5. US cotton on N.Y. quotation at C. Bank's TT rate	$ 73,124 per picul	$ 176,200 per picul	140%
6. High Cost of Living Index for Workers	$ 2,750	$ 5,000	45%
7. Central Bank's TT on N.Y.	$ 2,020	$ 3,350	40%
8. US$ on black market	$ 2,400	$ 4,200	75%

The following shows the yardage of cloth from Japan to China including Manchuria:

	yards
1932	225,600,000
1933	133,160,000
1934	265,875,000
1935	217,346,000
1936	147,700,000

Increases as compared with 1936 level:

Wages	5,000 times.
Salaries	2,000 to 4,000 times.
Yarn	9,000 to 10,000 times.
Cotton	6,000 to 7,000 times.
Cloth	10,000 to 12,000 times.

At present due to the lack of power, raw material, trained workmen, etc., about 2,500,000 or 60 percent of all standing spindles are in operation, or 50 percent compared with those operating in 1936; the domestic cotton crop has dropped even more. The recent phenomenal demand for cotton goods from the interior is due to the fact that during the eight years of war the majority of the population, especially the peasant and middle classes, were clad in rags. Since the Japanese surrender their economic status has been raised considerably, and being the chief consumers of cotton goods they need more cloth per annum now than they did prior to the war. Economists estimate that according to the present economic status of the masses the annual consumption of cloth per capita per annum should be 15 meters, or roughly 15 yards. Based on this figure of calculation China should consume 169,000,000 bolts of 40 yds. per annum, or 20,000,000 piculs (110 lbs. each) of raw cotton, including waste.

The average count of yarn spun in Chinese mills today is 20. Taking this as a basis of calculation, each spindle requires about one pound of cotton including waste per day of two 10 hour-shifts with 300 working days in a year. To meet the estimated requirement of 15 yards per capita per annum, China should have a little more than 8,000,000 spindles. Each power loom produces two bolts of 40 yards each per day and night shift. With 300 working days in a year the total production of cloth would be about 36,000,000 bolts, provided all the looms are operating at full capacity. This expectation is, of course, too optimistic. This optimistic estimate of production is only about one-fifth of the estimated requirement. Of course, a large quantity of native cloth woven on wooden looms and that produced in numerous small weaving sheds should be added to the total production.

During the past two weeks Dragon Head 12 lb. grey sheeting has risen from $10,500 per bolt to $86,000 per bolt, thus making an overall increase of more than 10,000 times as compared with 1936 level.

History may repeat itself. In looking to the future a scrutiny of the past is of interest. Immediately after World War I, from 1918 to 1922 inclusive, prices of textiles in China rose phenomenally. During this period of unusual prosperity every mill made a net profit of more than Taels 100 per bale of yarn produced, and the cotton mill industry expanded by leaps and bounds from 1,000,000 spindles to 3,000,000 spindles. Since then China has recognized the cotton mill industry as one of the most important industries in the national economic life. Rapid expansion of an industry is always accompanied by some favorable factors, and an unusually high profit is always a stimulant to further extension and expansion.

To say that yarn prices are too exorbitant is to say that the cotton mills are making a phenomenal profit, and the consumers are paying high prices. As previously pointed out prices of yarn and cotton textiles are proportionately higher than those of most of our daily necessaries. The abnormally high profit realized by mills is due to the high price of yarn and the comparatively low price of raw cotton. It takes, for instance, three and a quarter piculs (133-1/3 lbs.) of raw cotton to manufacture one bale of yarn weighing 400 lbs. The present quotation for cotton on the local market (Oct. 15) is from $200,000 per picul to $267,000 per picul, depending upon the type of cotton. If one adds the outlay for wages, salaries, power, interest on capital invested, building and machinery depreciation and other incidental expenses, the total cost per bale of 20's yarn cannot be higher than $1,250,000. Yarn, however, at the present time is quoted at from $2,000,000 to $2,300,000 per bale, yielding a profit of from $750,000 to $1,000,000 per bale manufactured.

Drastic steps to suppress profiteering, black marketing, hoarding and speculation are warmly welcome. A reasonable profit should be reserved for the development of the industry. Taking all present economic factors into consideration the official ceiling price of $1,750,000 per bale instead of the current market price of about $2 300,000 per bale has been suggested. For the time being, though, it seems to be premature to pass judgment upon the Control Commission; facts alone will prove its merits.

* * *

THE official price hike to $1,750,000 per bale of 20's yarn was promulgated on October 24 and stern measures will be taken against persons transacting business at prices above this rate on the black market. The decision of the government authorities to attain their objective of enforcing the order was announced with November 15 set as the deadline.

It was decided also to allocate 12,000 bales of cotton yarn every two weeks to actual consumers, with six classes of textile manufacturing enterprises being eligible. The establishment of three departments to study consumption, market quotations and rationing problems by the different guilds was proposed. The source and amount of foreign cotton required in future has been fully settled. To effectively carry out these planes, all merchants and mills are required to submit reports on their stocks. Notwithstanding the expiration of the October 31 deadline for handing in such reports, there were no results.

As a means to check speculation in yarn, all cotton goods merchants will be called upon to submit reports giving full particulars of their sales for the past three months, including the quantities and the names of the purchasers. From now on merchants will not be permitted to transact business with speculative parties.

During the past three weeks, from October 15 to November 6 inclusive, American cotton dropped from 40 cents per pound to 31 cents, or about 25 percent. In sympathy with the New York market, the Shanghai cotton quotations also dropped correspondingly. It is estimated that if U.S. cotton could be imported at the present prices, the cost of yarn production would be reduced to 25 percent of its present level. During the past week the black market price, for 20's yarn has been around $2,000,000, or about $250,000 lower than previously.

The benefits which could be attained under the price hiking control plan are as follows:

1. Stabilization of yarn prices.
2. Eligible consumers could purchase supplies at reasonable prices.
3. Cotton mills can obtain the foreign exchange from the Central Bank for importation of foreign cotton.
4. Elimination of speculation and hoarding.
5. Cotton mills can still make a profit of from $400,000 to $600,000 per bale of yarn manufactured, but under the strict surveillance of government authorities cotton mills may use inferior grades of cotton to manufacture inferior yarn at the ceiling price.

COMMENTS RANGE FROM....

Manning in Phoenix Republic and Gazette

...BOMBS TO PRESS FREEDOM

White in the Akron Beacon Journal

"Get U. S. Troops Out Of China" Traveling Vaudeville Show Flops

By JAMES L. STEWART

Los Angeles, October 8.

THE traveling vaudeville show dedicated to getting U.S. troops out of China came to Los Angeles this week only to get a response that must have been disheartening to the performers. Singer Paul Robeson, Harrison Forman and the actress Karen Morley were the principal speakers in a program called "Spotlight on China."

The venerable local leaders of the American Legion decided that the group was too hot to handle and denied use of the Legion stadium previously granted. This resulted in some slight publicity in all the Los Angeles newspapers; otherwise the event went entirely unnoticed. No radio broadcast, no newspaper account of the proceedings.

I did not attend the rally which was held in a good auditorium at an admission fee of but 60 cents. I am informed that attendance was poor and that although Mr. Robeson in particular spoke with much feeling and some ability, the meeting sponsored by the Hollywood chapter of the Independent Citizens Committee of the Arts, Sciences and Professions flopped.

Leadership Lacking

There are hundreds of small groups in the United States today whose membership include intelligent, patriotic and humanitarian people who wish to see a better world emerge from the sorrow of the last war. But in these groups, as in the larger associations such as the American Legion and the major political parties, leadership is sadly lacking. The best members of the groups do not have the time or initiative to command leadership which goes by default to more flamboyant persons who occasionally have ulterior motives in pressing causes they get the whole group to espouse.

In the case of the Paul Robeson troupe, it is really unfair of me to write of it in cynical vein. Many of the views held by the group, I hold too. I was opposed to the presence of American troops in postwar China at a time when I felt these troops were affecting the situation in China and when they were the basis of U.S. China policy. I do not think these conditions exist today, and deem it rather silly of any group to make the presence of American troops in China the focal point for attack on U.S. policy in Asia.

Problem In Asia Big

However, this is a technicality. Where the proponents of the "Get the troops out of China" school are hopelessly impractical is that they do not grant that the United States is faced with a problem of the first magnitude in Asia upon which depends not merely the well-being of the countries of Asia but the security of the United States. Messrs. Robeson and Company may be right on almost every particular, but their pleas that "We must not do this because it is unfair to somebody" will receive little attention in Washington where the argument runs, "We've got to do something to preserve our security."

There seems little question but what the collective conscience of the American people (and every other people) has been dulled by the war. But this conscience cannot be revived by little pricks in the form of publicity regarding alleged injustices to minor groups. A reawakened America can be brought about only by leadership on the grand scale. In the case of our relations with China, a square deal for Chinese Communists will not be a successful slogan here. A purposeful, just American foreign policy for China will come only when the U.S. government and people realize and act upon their responsibility to the Chinese people as a part of their responsibility to mankind.

(At this point I should like to add that no American policy can aid China until both Chinese Central Government and Communist leaders realize their responsibility to their own people.)

Labor Affected

As I have mentioned, faulty leadership is being displayed in all sections of American society. Right now, the labor movement is suffering because of it. Both labor and management are expressing their adherence to the so-called fundamental issue, the right to strike. I do not see that this has been an issue in the United States for the last 50 years. By this I mean that since the turn of the century American workmen have not been chained to their places of work, even coal mines, and kept at work under intolerable conditions. What the labor movement has earned through a long and bitter campaign is the right of the picket line to enforce the strike.

In the years before Franklin D. Roosevelt reached the presidency, management did not accept the picket line without a fight. Even as late as the 1920s, non-union labor was often brought into a strike-bound plant to keep the machines going. After 1933, it has been generally acknowledged that when a strike was called, production stopped. Picket lines were not crossed, and the police, instead of using their clubs to break the lines, were instructed to allow the pickets to stand.

Jurisdictional Disputes

It would appear, then, that labor unions would do their utmost to uphold the sanctity of the picket line. But in Hollywood today, AFOL workers in the motion picture industry are divided in a jurisdictional dispute in which one union local has called a strike and is rallying its forces to throw a cordon around the major movie studios while other union locals, all members of the same American Federation of Labor, are rallying their forces to break through the lines to continue work. This situation has lasted for three weeks. Yet although the AFOL is having its annual convention and all its leaders are assembled in conference, nothing has been done to stop the jurisdictional squabble that can, if it spreads, have disastrous consequences to the whole labor movement.

Another example of this situation occurred recently in the troubled maritime industry when AFOL shipworkers were instructed to ignore CIO picket lines on the east coast. This fight was settled in a couple of days; then other maritime unions walked out and shipping is paralyzed once more.

GOP And Wagner Act

A Republican congress seems destined to take office next January following the November elections. One of the Republican Party planks calls for declaring illegal jurisdictional and sympathy strikes and secondary boycotts. Labor will complain bitterly that such legislation will be only the start in the elimination of the many gains that workingmen have earned during years of hard work and hard fighting. These gains were once made legal by the Wagner Act. At present, even the Republicans are not claiming more than a desire to amend the Wagner Act.

But if faulty labor leadership permits further arguments within the house of labor to disrupt production between now and next January, the Wagner Act may be repealed. The chaos that will then ensue is horrible to contemplate.

Of the 15,450 kilometers of highway which existed in Kwangtung Province prior to the war, more than 90 percent was either destroyed or damaged during the war. In one year of post-war rehabilitation, 4,468 kilometers of highway, or about one-third, have been repaired.

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Red Land Reform Great Stimulant; 140,000,000 Declared Affected

By SHEN CHIEN-TU

Yenan, October (delayed.)

A UNIQUE agrarian reform is lopping away the top and bottom strata of the rural population in one-third of China with a total population of 140 million—greater than the population of the United States. Landlords and the rural poor are disappearing and landowning farmers and well-to-do farmers are increasing. This is the fundamental trend in the greater part of Manchuria, North China and the Kiangsu-Anhwei border despite the fact that the Communists are suffering military setbacks.

This agrarian reform to attain the goal of "Land to the Tillèr," which the Kuomintang preached but never put into practice, is still in full swing in these Communist-held areas. Overall figures showing the exact magnitude and depth of the movement are still unavailable, but a breaking down of land-monopoly has been underway through a "rent and interest reduction" movement since the outbreak of the anti-Japanese war.

The land hunger of peasants in these areas rose and subsided three times during the eight years of the anti-Japanese war. Peasants wanted land and wanted to be free from the landlords. The Communist Party stuck to its "anti-Japanese national united front" policy and appeased this land hunger through "rent and interest reduction." At the same time it persuaded peasants to pay rent and interest to landlords in the fight against their common enemy, the Japanese.

The clamor of peasants for land and elimination of the landlords' oppression rose again after V-J Day. The Communist answer this time was —yes!

10,000,000 Get Land

Ten million peasants, namely one-third of the total population of the Shansi - Hopei - Shantung - Honan Border Region, got their land. Many districts in Shansi, Hopei, Shantung, the Kiangsu-Anhwei border, North Central Kiangsu seaboard, North Honan and Manchuria have reached the goal of about three mow of land per head. There were villages in Manchuria where peasants got as much as 10 mow of land per head. Many districts reported that 50 to 80 percent of the villages have attained the goal of "Land to the Tiller". The fight to attain this goal which was also the aim of Dr. Sun Yat-sen's principle of livelihood will go on despite the civil war. More than 90 percent of the rural population—the landless, rural poor and the common farmer—will not take "no" for an answer.

In Manchuria under popular local demand, an area constituting five-sixths of Manchuria, the passing of land into the hands of peasants is going on at a faster rate. About 40 to 50 percent of the total land area in Manchuria is estimated to be owned by Japs and the Manchoukuo Government. This land was confiscated and will go to the bulk of the rural population without having to go through the necessary steps of "rent or interest reduction" or "settling accounts" with landlords, which is a slow and lengthy process requiring the massing and sifting of evidence, going into charges and claims and complicated accounting, though equitable distribution of land is still a painstaking process.

How Land Is Divided

In Nunkiang province, where 46 percent of the land were reported to be owned by Japs or the Puppet Government, some counties finished the job of distributing confiscated land in one month through a "committee for the distribution of Jap and puppet land" after measures for distributing confiscated land were passed by the popularly-elected local government. Chaotung county in Nunkiang province reports that twenty-five out of its twenty-seven districts have achieved the policy of "land to the tiller," and 111,000 poor peasants in this county got 1,402,396 mow of land.

How did peasants get the land? It is not the agrarian revolution of the first civil war days when the land of landlords was confiscated outright. Peasants demanded the carrying out of a "rent and interest reduction law," passed by their local governments and the Kuomintang national government. They talked it out with landlords. They called mass meetings to enforce the execution of the law. They launched an "air your grievances movement," in which they expressed their pent-up grievances suffered in silence for years.

Before and after V-J Day, they launched a "settle accounts movement" in which they got back what they had paid in excess to landlords since the day when the rent reduction law came into force. This became interwoven with an "anti-traitor movement" after V-J Day. Collaborators—and "local bosses" who had waxed fat at the expense of the local population under the aegis of the Japs and collaborators were "called to account."

Peasants Talk Back

Apart from the paying back of excess rent and interest above that stipulated by the law, these "accounts" included graft and squeeze of local officials under the Jap occupation, damages suffered through rape and physical injury, malpractices, compulsory service, exorbitant fines, murders committed by retainers of landlords who took the law into their own hands or by collaborators under Jap rule and landlords who had been wont to ill-treat their tenants for generations.

Only the Chinese peasants know how much they have suffered at the hands of the "local bosses" and landlords. For the first time in many generations they told landlords in the faces in mass meetings what they had suffered and for the first time they were not crushed by the soldiery of the landlord for doing so.

One local boss was charged at one of these meetings in Shantung province with having raped over three hundred women. His former victims testified against him at the mass meeting. Even landlords who for years passed off as "charitable men" were exposed in such mass meetings by their former victims who had been terrorized into silence by the strong-arm retainers of the landlords.

One "charitable landlord" used to keep thousands of pigeons which fed on the crops of tenant peasants. His tenants had for years sent him birthday presents even if they had to pawn or sell their trousers to get the money. Those who did not send birthday presents were accused of "looking down" upon the landlord.

Landlord Fights Back

Landlords did not give up without a fight. Some of them had "Min Tuan" (militia) under their control or armed retainers. They intimidated and terrorized peasants to report that their rents and interest had been reduced. They played on the fears and age-old subservience of the peasants to undermine the "settle accounts" movement. But they could no longer boss the local government elected by the bulk of the rural population nor could they use armed force openly against the peasants.

Reports of successful "settlement of accounts" spread through villages like wildfire. Landlords were only a handful among the rural population. Once the peasants banded together, they found a new strength and abandoned their age-old fatalistic attitudes. They discovered that they could out-talk landlords despite their illiteracy.

After rent reduction, tenants bought land which the landlords were willing to sell. Tenants had priority to buy land from the landlords. As a result of rent reduction and guarantee of tenure rights of tenants, landlords were sometimes willing to give their tenants seventy to eighty percent of their land and reserve twenty to thirty percent for cultivation. Landlords also sold their land to pay off debts during the "settle accounts" movement.

Traitors' Land Confiscated

Land also passed into the hands of peasants through confiscating lands that belonged to traitors. The latest method was a "land donation movement" initiated by land-owning government leaders and Communist members. It spread to the liberal minded landed gentry. Donated land was distributed to the rural poor by peasant associations.

Landlords were not stripped of the means of living. They were left with enough land to keep their family going. They were left with good land near their homes. They were given equal chances to start anew and get rich like other peasants. The differ-

ence was that they have now to work on the land themselves. The industrial, commercial and business enterprises of landlords were left untouched. They were encouraged to engage in industry and commerce and they can hold offices in the local government with all the rights to elect and be elected. Even small traitors who repented were left with enough land to maintain the means of living after the "settlement of such accounts".

A touchy question was raised in dealing with the land of liberal landlords or landlord families whose members took part in the first ranks against the Japs in the anti-Japanese governments, army or public organizations. They were left with more land than the ordinary landlord while appeal was made for the voluntary return of what belonged to the peasants. Disputes were settled through mediation of citizens trusted by both parties.

Village Meeting

After the "settle accounts" movement, the distribution of land or reclaimed property remained a knotty problem. First there was the registration of the economic conditions of each family in the village. Then there was discussion on and the fixing of distribution rules and standards. The fourth step was to determine just how much each family should receive. Such work was usually undertaken by village "settle accounts" committees.

These committees submitted the distribution plan to a village meeting which examined whether the land or property distributed to each family were equitable. Divergencies in opinion were thrashed out in such meetings. Such public discussions left no loopholes for graft, squeeze or favoritism.

Agrarian reform in these Communist-held areas is striking at the roots of the poverty and backwardness of China. Farmers are getting more out of the land they now own. There is a steady rise in agricultural output in area where agrarian reform is launched. The riff-raff of the rural population are disappearing. They no longer have an excuse for shirking work when given land. Beggars have disappeared or are disappearing.

Farmers found an interest in learning how to read and write when they became owners of property and land, and had enough to eat. For the first time in generations, they were able to send their children to school. The "settle accounts" movement also apportioned land, property and funds for the village schools.

Land Great Stimulant

A great percentage of the rural population joined public organizations and mutual-aid labor teams during the agrarian reform movement. They sent their able-bodied to enlist in the army or local militia to defend their hard-won land. Troops fought harder at the front when they learnt that their families had been distributed land. This is the reservoir of power on which Communist-led troops drew upon to fight the Japs during the Sino-Japanese and the civil wars.

NOTICE

Restriction of Lighting and Heating Consumption

Notification has been received from the Bureau of Public Utilities, Shanghai Municipal Government, instructing us to apply restrictive measures to consumption for lighting services.

The restrictive plan to be enforced, and as passed at the 52nd meeting of the City Government, is as follows:—

(1) An allotment of electric energy for lighting will be given to every consumer, equivalent to 70% of the highest recorded consumption in any month, from October 1945 to September 1946, inclusive.

(2) The minimum allotment shall not be less than 20 K.W.H. per month.

(3) Exemption will be made in the case of hospitals and certain other institutions concerned with essential public services of law, order, and health.

(4) Should consumption exceed the monthly allotment, then, in the first instance, a restrictive charge of five times the normal rate will be applied to all kilowatt hours used over allotment. Should usage again exceed allotment, supply will be disconnected for one week.

(5) New consumers will be allowed a minimum allotment of 20 K. W. H. per month for lighting, but for larger buildings, stores and works where a greater consumption may be necessary, upon application an increased allotment will be considered, based on estimated minimum requirements.

(6) The restrictive plan will be abolished as soon as ample generating plant capacity is available.

All consumers will be notified individually of the monthly allotment allowed, but it will take some time before the necessary data is abstracted from the books to enable calculation of individual allotments to be completed.

In the meantime, consumers are requested to economize as much as possible in lighting usage, particularly between 4 p.m. and 6 p.m.

In order to clarify the position regarding the restrictions of electric service previously put into effect, the following advertisement, which appeared in the Press on October 3rd, 4th and 5th, 1946, is repeated:—

"In view of the serious situation created by the shortage of generating plant and the necessity of large reductions of electric service to industry, the Bureau of Public Utilities, Shanghai Municipal Government, has instructed us to put into effect as from October 1, 1946, the undernoted restrictions:—

(1) The use of electricity for decorative lighting and outside Neon and display signs is prohibited.

(2) The use of electric radiators for room or space heating is prohibited. All services for electric room or space heating are to be disconnected, except for essential heating services for hospitals or clinics where there are no facilities for other forms of heating.

Supply will be continued for the following services, with a monthly usage of electric energy limited as stated:—

(1) Electric cookers on record—Allotment: 500 K. W. H. per month for a cooker of 6 K.W. to 9 K.W. capacity, down to 250 K. W. H. per month for a cooker of 3 K.W.

(2) Refrigerators—Allotment: 120 K. W. H. per month for domestic service; 240 K. W. H. per month for commercial service.

(3) Storage water heaters on record—Allotment: 400 K. W. H. per month.

(4) Miscellaneous heating appliances for sterilization, medical treatment and heating equipment used for commercial and manufacturing processes, will be limited to a monthly allotment of electric energy equal to the highest usage recorded in any month, from June to September 1946 inclusive."

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November 2, 1946.

Nazi Spy Ring's Far-Flung China Activities Bared In Court Here

By JOSEPH FROOMKIN

AFTER reading into the record 65 sworn affidavits and producing nearly two score witnesses, the prosecution last week concluded its case against the 27 Germans accused of collaborating with Japanese Army Intelligence after the Third Reich's collapse. These Nazis, members of various intelligence outfits in the Far East and leading members of the staff of the German Embassy, were indicted before a U.S. Military Commission, sitting at the Ward Road Jail, for violating the terms of the May 8, 1945 unconditional surrender. The trial began more than a month ago.

Lt. Col. Jeremiah O'Connor and Maj. Robert Dwyer, able prosecutng attorneys of the Nanking branch of the U.S. Army's Judge Advocate General's Department, exerted all their efforts and all the means at their command to pin something definite on each of the defendants.

Embassy Spy Ring Hub

Whatever the verdict, the "Ehrhardt Trial," as the proceedings have come to be known after the name of the chief of Nazi intelligence in the Far East, has contributed to unmasking the secret service organization and the methods of the Third Reich in China and Southeast Asia. During the past month's hearings, as the prosecution day by day unfolded its case, the whole panorama of the network of Nazi intelligence activities in China became public knowledge for the first time.

The hub of the Third Reich's espionage here was the German Embassy. Its members sent economic and political intelligence to Berlin. A part of the Embassy, but having semi-autonomous status, it was set up primarily to watch naval and military operations. This was the "Kriegsorganization," started shortly after the outbreak of war in Europe in September 1939.

The first chief of this Bureau—a designation the Germans gave to every compact organization—was Louis T. Siefken, opening witness for the prosecution, who resigned as chief of the Nazi spy ring due to a disagreement with the Embassy in 1942.

Organized In 1940

Siefken, on the stand before the Military Commission, said he had come to China in June 1940 to organize an intelligence network here. Although he had been connected with German intelligence since 1923 and so apparently was no newcomer to spying, he was given before his departure for China a thorough course in new Nazi intelligence techniques. Trained at the Supreme High Command school for agents, Siefken was taught code breaking, the collection of intelligence, and micro-photography, an art which enabled him to reduce a page of print to the size of a dot on a typewriter.

Under his guidance, and with two similarly trained men, the U.S. Coast Guard Code was broken here in Shanghai. This was no mean feat, for while squads of Japanese code breakers both here and in Japan could not boast anything like this, a handful of Germans in Shanghai deciphered a highly complicated code.

Siefken's main concern was with naval intelligence, but he also acted as the postman and paymaster for the rest of the German agents in China. The story which Siefken told the U.S. Military Commission bordered on fiction as he described the precautions he took not to alter any of the features of the mail received before packing it in the diplomatic pouch. A dot or the position of the postage stamp on the envelope well might contain the story, he said, although the message itself might be banal.

Came As "Business Man"

Functioning independently of Siefken was Lt. Col. Ludwig Ehrhardt, who had charge of the military intelligence. He had come to China from the Balkans on the last train to cross the German-USSR border and Siberia before Hitler marched against Russia on June 22, 1941. Arriving in the guise of a businessman interested in the purchase of wolfram, his purposes were not purely mercantile, for he was accompanied by a secretary from his Balkan assignment, a former typist of the German High Command staff in Berlin.

A quarrel between Siefken and H. G. Stahmer, the then German Ambassador to China, caused the former to relinquish his post in 1942. The misunderstanding grew out of messages Siefken sent to Berlin. The ambassador was worried, apparently, as the espionage chief had been commenting unfavorably on the diplomat's activities here.

Ehrhardt was designated as Siefken's successor. He had previously agreed to show the ambassador the text of his messages to Berlin. From what transpired during the trial it seems that Ehrhardt consolidated and expanded the activities of the espionage outfits of which he was the sole master. He brought under his control several independent agents who had been working directly under orders from Berlin.

Non-Germans Catspaws

The Kriegsorganization was purely military in character and was ruled with an iron hand by its chief. The fanatical Nazis here who were under his orders took Ehrhardt's commands without flinching, it would appear. Thus the prosecution tried to show that although Wolfgang Schenke, one of the accused, was bitterly anti-Japanese, he did not withhold from his superiors the news he collected from his friends both in Free and Occupied China, knowing that this information almost inevitably would be handed over to the Japanese.

The German espionage ring used agents of various nationalities to collect data. The prosecution produced in court only a few Italian operators, but in several affidavits revealed that Russians, Chinese and other nationals were freely employed by the Nazis as sources of information.

The reluctance of such persons to come and testify in open court about their activities during the war must have been responsible for the absence of such witnesses. Yet, the courtroom was full of rumors about a number of persons rescinding statements they had made to the prosecution allegedly under threat from underground Nazis in Shanghai. Large bribes from the secret German gold hoard were said to have been paid to others to keep quiet about the activities of the Nazis.

Maintained Listening Posts

The German spy ring organization in China was divided into three main branches. The Shanghai head office was quartered at the German Embassy in Peking Road and its operations office was situated in Ferry Road. Its Peiping branch was headed by Fuellkrug, one of the accused. This office specialized in listening in to Russian stations and providing reports on conditions in Mongolia, as well as contributing its share in ferreting out Allied internees who escaped from Civil Assembly Centers in North China.

A very militant Canton office monitored information of the Air Transport Command and handed it over to the Japanese and codified the wave lengths and call signs of the U.S. Army, Navy and Air Force stations in the Pacific.

An independent unit of the German intelligence ring was the German Information Bureau headed by "Baron" Jesco von Puttkamer, a self-styled baron. This office provided the Japanese with intelligence and analyses of news broadcasts by Allied stations and created the material for leaflets dropped over U.S. troop positions in China.

Contract With Japs

Puttkamer and an youthful fanatic, Alfred Romain, both among the 27 Germans in the prisoners' dock, decided to continue the offensive against the Allies and signed a contract to that effect shortly before the German surrender. It is the contention of the prosecution that these two men continued to work as usual after the collapse and that they did considerable harm to the American war effort by undermining soldiers' morale.

As to the other members of the spy ring, the charges are that they wilfully and maliciously violated the German surrender agreement and contributed to the defense operations of the Japanese.

A number of the members of the Peiping Bureau Ehrhardt confessed to having worked for the Japanese. They continued to monitor newscasts and other information relayed over Allied stations. One said that he had kept on editing a newscast

for the benefit of the Japanese Army press bureau.

The Canton Nazis have been shown to have done the same thing after the war as before V-J Day, by an American-Japanese drafted into the Japanese Army, who was detailed to the Canton Bureau as a helper to the Nazis.

Members of the Shanghai staff have been incriminated solely on the evidence of a few Italian radio operators who claim to have seen them at work as usual after the surrender, and the testimony of a few members of the spy ring who declined to collaborate after the termination of the fighting in Europe.

Extremely important was the testimony of Dr. Frederick H. Erben, who long had been employed by the Nazis as an agent. Erben, a naturalized American citizen of Austrian extraction, told an amazing tale of his service with the Nazis. He was hired in Mexico in 1941 and smuggled out to the Far East under a false passport because the exit of U.S. citizens to China already had been prohibited. Coming in the guise of a musician, Erben began a medical practice here and concentrated on resuming connections with shipping people he had come to know while employed as a ship's doctor.

He also was directed to contact U.S. underground intelligence agents to try to bribe them to join the Germans. Erben intimated during his testimony that he was also working for the US government, but the fact remains that the Germans used and enrolled him as a full-time agent.

Erben said that the Ehrhardt Bureau did not lose touch with him even when he was interned in a Civil Assembly Center here solely for the purpose of watching internees. Eventually he should have escaped and made for Free China to become a German agent there but the plan miscarried.

Erben testified that he was told by the Japanese that the Bureau Ehrhardt had continued its valuable work after May 8, 1945, the date of the collapse in Europe, and he himself was told by a member of the spy ring that they had worked until August 15, 1945.

Other important witnesses for the prosecution were the Japanese chiefs of intelligence in Shanghai and Peiping. Both testified that the Germans had offered to cooperate with the Japanese of their own free will and that there had been no duress.

Especially revealing of the close relations between the Japanese and the Germans was the "courtesy" of the Japanese intelligence officers in Peiping when they "lent for questioning" by the Nazis three U.S. fliers who had been shot down in June 1945.

The prosecution accused the German embassy and consular staff of having permitted their nationals, over whom they had control, to cooperate with the Japanese after the German surrender.

Several statements have been read into the record which showed that ex-Ambassador Ernst Woermann and his subordinates had disciplinary powers over spy ring members.

Whether the defense will be able to counter the imposing array of evidence presented by the prosecution and clear any of the accused is a matter of conjecture. The defense lawyers in court appeared confident of winning the acquittal of at least some of the 27 Nazis. They claim they have "quite a few tricks up their sleeves" and contend that the prosecution has misrepresented the facts. The defense hearings are to begin next week.

Tribal Fighting May Hinder Rescue; Lolo Called Black, White Bones

By PHILIP F. J. CHIH

PUBLICATION of reports that downed American B-29 fliers are being held as slaves by West China aborigines recently brought into the limelight one of China's smallest minority groups, the Lolo tribesmen. Nanking and Washington amidst their numerous headaches suddenly found a new but delicate problem, one in which resort to bribery and middlemen has been seriously considered, among other things. One American Congressman has even suggested that a punitive expedition be immediately sent into West China.

However, a rescue party accompanied by newsmen already has been flown in and is at the Sikang - Szechuen border. The party is working cautiously because the slightest provocation or alarm might further endanger the lives of the captives, according to a recent report on the progress of its work. Discovery of the wing of a B-29 last week confirmed fears a few U.S. fliers actually may be in Lolo captivity.

The area in which the party, including the necessary middlemen, is operating is 1000 miles west of Chungking, and is roughly a semi-circular strip of highland 200 miles wide and 100 miles long. Most of it is in Sikang Province while the rest borders on western Szechuen and northwestern Yunnan. The northern end of this strip is mountainous and corrugated by rivers flowing from north to south. The temperatures here may vary from 32 degrees Fahrenheit in the early morning to 90 degrees at noon.

Wild animals range from the yak to wild deer, wild boar to golden monkey, rare Lady Aherst pheasant to the humble shrew. Only a small part of this region is directly under Chinese Government administration or influence.

Just where the Lolo came from nobody seems to know exactly, but one historian believes that their origin could be traced to the hill country of northern Burma. Chinese history, however, identifies them as part of an ancient stock who peopled Szechuen long before the Chinese migrated west. The Chinese imperial court knew of the Lolo 1122 years before Christ was born!

If one of these tribesmen were asked if he is a Lolo, he wouldn't know. They call themselves "Noso." Throughout their contact with the Chinese they were either called "I-chia" or "Man-chia," both of which mean "barbarians." As with other tribes there are two types of Lolo, one being under the influence and control of the Chinese local government. These civilized Lolo are known as *"Pei Ku Tou"* or "white bones." Their "uncivilized" counterparts are called *"Hei Ku Tou"* or "black bones." They form the majority of the various Lolo tribes. Princes rule over the Black Bones like heads of a number of autonomous states.

The term "white" or "black" is a misnomer, as both types of Lolo are pretty much like the Chinese except for being taller and slightly darker. Their noses, however, are thinner. They rarely bathe the year round. They are physically well built and strong, able to endure extreme hardships. Both men and women work in the field, being agricultural and pastoral. They raise pigs, horses, cattle, sheep, goats and chickens. Corn, wheat, rice, potatoes and other vegetables are widely planted.

The Lolo are wily, dangerous warriors. They fought with bow and arrow in the past. The arrows were tipped with poison. Nowadays they possess and use rifles and other automatic firearms which they bartered or stole from the Chinese. Besides fighting off trespassers, the various tribes fight each other almost every year. In fact doubt has been raised as to whether the American rescue party could get through because fighting among the tribes has already broken out this year.

Their bellicose nature is believed to have helped preserve the Lolo through the centuries from encroachment or absorption by the Chinese or other races. They first fought the Chinese, who were led by a well-known general named Ma Yuan, in the first century after Christ. Their chieftain, Meng Ho, renowned in Chinese history as a black and bearded general, was captured and released no less than seven times by Kung Ming of Shu during the Three Kingdoms.

In the Ching Dynasty the Chinese changed their policy. The Imperial Government placed a part of the Lolo under its own jurisdiction by replacing some of their princes with local officials appointed by the Emperor. That policy worked well with those tribes bordering the Chinese provinces until the beginning of the 20th century when the imperial governor of Szechuen massacred a great number of these tribesmen. The Lolo killed the governor in the revolution which swiftly followed.

The Lolo have their own religion and they worship the "Tien Pu Sah"

or the "God of Heaven." They are superstitious. Their fireplace or stove which consists of three stones is sacred and not to be stepped on. There is also in every home a sacred tree blessed by the village sorcerer. The American and Chinese rescuers will do well not to use their cameras too often as the Lolo are liable to believe their souls will depart with their photographs—and forcefully show resentment. They are sure to feel that it is impossible for them to coax their spiritual halves back from such places as Nanking or Washington.

Superstitious Customs

Except on the fringes of Lololand, where a few missionaries have taken up residence, a cow and a sheep's shoulder blade will do the trick when a person is sick—at least so the Lolo think. First the sheep's shoulder blade is burned. Then a cow is led around the sick bed seven or nine fateful times. The cow next is clothed with the sick person's garment. After that the patient kisses the cow, though the Lolo priest insists the man is blowing his breath into the animal. This done, the cow is killed. One-tenth is burned as an offering to their god while the priest and the people around feast on the rest of the cow.

When they are through eating and and drinking—all Lolos love liquor—they carry a bloodstained mat around the sick man several times. The ritual is completed when the priest buries the mat by a path, preferably the thoroughfare of the village. The disease will travel to someone else.

When a Lolo dies he is cremated on a pole. Before that, the priest again comes. He looks for a beefy cow or bull for the funeral rites if the deceased is a rich man. A pig will do if the wailing widow is poor. The priest also shows up when there is a drought. Just what he needs for his ritual in this crisis has not been disclosed by any expert on Lolo lore, tradition and customs.

Marriage Laws Quaint

The Lolo are patrilinear and exogamic, like the Chinese. That is to say, children are named after the father and a Lolo is not allowed to marry within his or her clan. There is no nonsense under the moon or the bower. Everything is done according to the book with a marriage broker as the go-between. The bridegroom must pay a price in terms of cattle, poultry, sheep, goats or pigs to his future wife. The bride-to-be invites all her friends, including the successful go-between, to a grand feast when she receives the gifts. Even then the suitor is not sure that he is getting a wife, handsome dowry notwithstanding. The custom is it that a quadruped must be killed and if a gall is found inside the animal, the marriage will be a perfect union; otherwise the poor man must wait and gather more gifts. In the event there is a gall, there will be plenty of food and liquor for everybody. If they cannot eat all of the food, the leftovers are for the bride. The guests rub the edibles on the bride's body in fun.

Divorce is permissible among the Lolo. If a husband wishes to divorce his wife he forfeits all his claim to her property. All his gifts will be returned the husband when a wife wishes to separate from him, plus a goodly interest.

These West China tribesmen wear long, sleeveless robes of self-made wool or felt which reach from neck to ankle. The hats of Lolo women resemble old-fashioned Western bonnets. Both men and women wear earrings. They occasionally wear straw sandals, but most of the time go barefooted. They use wooden utensils mostly but they have some iron ones too, such as iron stands for cooking tripods.

The Lolo speak a language different from both the Chinese and Tibetan. No one has bothered to learn, to read and write except the priests, who use the written language to inscribe sacred records.

Flight In Outer Space In Prospect As Science Probes Air Mysteries

By WARNE GRIFFIS

THE newest, strangest frontier of the earth, high in the vast, cold, blue depths of the sky, is being rapidly opened up by men at the Huge Army Air Forces research center at Wright Field, Ohio, according to an article in the September issue of the National Geographic Magazine. It extends from the surface of the earth up to a height of some 600 miles, to the very top of the atmosphere, where the last few scattered molecules of air merge into the vacuum of outer space.

Until recently nobody knew much about this ocean of air except for the first few miles above the earth, where weather and storms originate and circulate. A little over 10 years ago the American research balloon, Explorer II, reached but the fringes of this vast domain, 13.71 miles. Today with rocket-driven missiles such as the V-2 bomb climbing five times that high; with radar signals being sent to the moon at frequent intervals; with jet-propelled airplanes crossing North America in four and a quarter hours, and 1000 mile-per-hour planes predicted, the ocean of air has acquired a new and urgent importance.

Strange behavior of the air, barriers and difficulties exist in this frontier. "But despite such hazards and barriers, high-altitude flight, new methods of weather forecasting, new aerial weapons of war and other branches of science have progressed so far that we now are studying the ocean of air as a whole, not just the lower part that is immediately around us," according to Dr. R. W. Reichelderfer, chief of the U.S. Weather Bureau.

What is this ocean of air like? We live at the bottom of that ocean, like fish at the bottom of the sea. This lower region is called the troposphere, the "region of change." Over the Equator it extends up to 10 miles, over the poles only from four to five. It is where air movements, where masses of cold, dry air interact with warm, moist air masses and breed storms and weather. It grows steadily colder as one goes higher, and air becomes so thin at 21,000 feet that a candle would not burn for lack of oxygen. Gasoline begins to boil away, and at 35,000 feet B-29 bombers lost as much as 850 gallons of gasoline this way. Above 30,000 feet the sky begins to look purple because the thinner air aloft does not scatter sunlight as much as does the denser air lower down.

Next above the troposphere is the stratosphere, where the air is clear, free of dust, clouds and rain. There is no "weather."

Centering at about 80,000 feet, around 15 miles, is a tenuous belt of ozone, a lifesaver for all of us, for it protects us against deadly ultraviolet rays coming from the sun. It is cold in the stratosphere but it does not grow much colder as one goes higher. Stratosphere temperatures do vary from north to south, however, and, strangely enough, the coldest part of it, as low as 112 degrees (Fahrenheit) below zero, is over the Equator. From a height of 25 to 35 miles the temperature rises again to as high as 170 degrees above zero.

Around 45 miles above the earth almost complete quiet prevails, for the molecules of the air are so far apart that sound waves are not readily transmitted.

From 40 to 60 miles above the earth the stratosphere merges into the ionosphere, the "radio mirror," without which long distance radio could not operate. It extends up to as much as 250 miles high. German V-2 weapons have already climbed up 75 miles into the lower reaches of this sphere. From the upper reaches of the ionosphere the ocean of air extends on upward until the last few molecules probably merge almost imperceptibly with outer space.

Down from this outer space several kinds of strange "rain" fall into this "ocean." Part of this "rain" consists of tiny particles of meteors or broken pieces of comets. Another type of "rain" is made up of showers of charged particles pouring forth from the sun, falling approximately around the regions of the North and South Poles. A third one is the continuous shower of cosmic rays, which originate in the "cosmos." These rays, scientists believe, may be strong enough to interfere with the flights of such rockets or "guided missiles" which can travel even beyond the atmosphere into outer space.

The United States set up 50 stations all over the world to find out the behavior of the ionosphere during the war. Using data from observations of the sun and from these stations scientists were able to forecast the behavior of this particular sphere during the next 24 hours.

How much higher can man fly? The same scientists declared that "we are now seriously studying the problems of flight in outer space."

Old China Hands

A. E. SCHUMACHER, who was Shanghai manager of The Chase Bank for many years, returned to China on a business trip in his present capacity of vice-president. He was accompanied by James A. Jacobson, assistant vice-president of the same bank, who was in China during the war with the Nelson Mission. After two weeks in Shanghai Mr. Schumacher left for Tientsin and Japan, whence he will return to Shanghai for a short while before proceeding to Manila.

JOHN COETTE, who represented International News Service in Peiping for many years before the war, recently terminated a visit to that city. He is on his way back to the United States after stopping off in Tokyo where he was a witness in the war crimes trials.

DR. ANTONINA M. KAZIMIROW, for many years a well-known dental practitioner here, has returned to Shanghai from New York to establish post-graduate courses in dentistry in order that local dentists may become familiar with modern American methods and equipment. Prominent professors from the New York University Dental College are expected periodically to lend their services to the new Shanghai institution.

MR. AND MRS. CHARLES T. CARROLL, Jr., with Bee, their daughter, were among the arrivals on the Mount Rogers. Mr. Carroll represents the Coca Cola Export Corporation in Shanghai.

WILLIAM O'NEILL of Reuters was recently joined in Shanghai by his wife, Peggy, who arrived on the Empress of Australia. Mrs. O'Neill was caught by the war in England where she served in the auxiliary territorial service and became a junior commander. Bill O'Neill became *Reuters'* manager for the Far East after representing that organization in Hongkong.

RUSSELL O. SCOTT and Mrs. Scott plan to return to Shanghai shortly. Mr. Scott, who was in Shanghai as director of International Funeral Directors for many years, returned to the United States this summer for a visit.

A. CECIL TAYLOR, a former resident of Peiping who was interned in Hongkong by the Japanese, is now freelancing in Australia, where he has also broadcast talks on China. He is in Gordon, N.S.W., Australia.

DR. LLOYD S. RULAND, secretary of the Presbyterian Board of Foreign Missions, is in China. His visit is expected to last until around the first of the year.

LLOYD E. LEHRBAS, at one time with the *China Press*, who was in China as an Associated Press war correspondent in 1937 and afterwards served as PRO aide to Gen. Douglas MacArthur, is now executive editor of *World Report*, an American weekly dealing with world political and economic affairs.

DR. AND MRS. N. GALATZER are in Shanghai awaiting transportation to Europe. Dr. Galatzer had a private medical practice in Nanking for many years.

Recently returned to the Theological Seminary in Nanking are Dr. and Mrs. F. P. Jones, and Rev. and Mrs. H. L. Sone.

NEWS OF THE WEEK

Sino-American Trade Pact Signed; No Progress In Bi-Party Talks

WITH the National Assembly to be convened on November 12, and the talks between the Kuomintang and the Communists deadlocked in spite of the mediation efforts of third parties, prospects for a "political solution" of the Chinese home problem appear at its lowest ebb. By far the most significant event of the week was the signing of a Sino-American Treaty of Friendship and Commerce to last five years and on which negotiations were conducted during the last 10 months.

The treaty is said to guarantee Chinese individuals and business firms the same rights in the United States as American individuals and corporations have in China. The treaty supercedes nine previous treaties between China and the United States, including the original treaty of peace, amity and commerce signed on July 3, 1844.

American officials in Washington stressed that the treaty was needed to wipe "out the last vestiges of so-called extraterritoriality" under which the United States exercised certain legal privileges in China, such as were not granted other nationals on American soil.

While the *New York Times* welcomed the signing of the treaty and said it should serve as a pattern for other post-war American treaties, the Chinese press, excluding Government-controlled newspapers, was rather critical of the new treaty for several reasons. The *Wen Wei Pao*, for instance, blamed the Government for conducting the negotiations in secret "without either officially or unofficially referring them to the public." The paper also asserted that the "most favored nation clause" was reminiscent of the "Open Door Policy," for which "we cannot but express regret."

The inequality of the treaty was stressed by liberal Chinese papers, including the *Lien Ho Wan Pao*, while the *Wen Wei Pao* discounted assertions that the conclusion of the bi-lateral pact had no political significance, having been signed at a time of political deadlock in the parleys.

On the political end of the situation, Communist spokesman Wang Ping-nan listed three reasons why the peace talks thus far have failed. He said that a) the fighting was not dying down, contrary to the Government's claims; b) the Government insisted that the Generalissimo's eight points were "concessions," whereas actually the Kuomintang had not budged an inch "from its basic attitude," and c) the Government was unwilling to cooperate in any form, insisting on holding the National Assembly on November 12.

Timid rumors to the effect that Governor of Szechuen Province Gen. Chang Chun would replace Dr. T. V. Soong as President of the Executive Yuan, were interpreted as soundings of a possible compromise for Communist and third party participation in the Assembly.

The Government accepted third party proposals for direct talks with the Communists—but only on condition that such meetings would discuss President Chiang's eight-point proposal. This was rejected by the Reds who insisted that the Nationalists were pressing a large-scale offensive in eight areas and need the talks as camouflage.

In Nanking, preparations were still being carried on determinedly to hold the assembly, as scheduled, next Tuesday, November 12.

Treaty Text Next Week

Due to delay by the U.S. Embassy in releasing the English version of the Sino-American Treaty signed this week in Nanking, the *Review* is unable to include it in this issue. However, next week's issue of the *Review* will be enlarged to include the full text.

DANGEROUS GROUND

* * *

U.S.

IN the middle of the week, business in the United States was practically at a standstill as the country went to the polls to elect 435 members to the House of Representatives, 35 Senators, 33 State Governors and many other officials. It was estimated that at least 35,000,000 voters are casting their ballots—the heaviest balloting in any year when the fate of the presidency is not decided.

Bitter pre-election campaigns were conducted by both the Democrats and Republicans, with the latter playing up the slow pace of post-war recovery, for which they blamed the Democratic Party. One typical slogan read: "You Had Enough? Vote Republican."

Both parties accused each other of leftist tendencies and Communist influence. Most observers, however, agree that the 80th Congress will be the expression of the people's dissatisfaction with controls, the meat shortage and other post-war calamities, and predict a Republican victory.

Meanwhile, the Committee for Maritime Unity told striking longshoremen and licensed engineers in San Francisco to prepare for a winter-long strike along the West Coast. This was a most ominous statement coming as it did at the end of a month-long walkout and meant that the two unions, both belonging to the CIO, were settling down for struggle into next year. This was explained by union officials to be the result of the Pacific shipowners' and waterfront employees' rejection of the "peace proposals of the first union," and indifference to the settlement overtures of the other. The rank and file thereupon, decided to dig in for "a winter-long tie-up."

President Truman, arriving in Independence, Mo., to vote in the elections, declared that the United States was determined to keep exclusive control for a long time to come of former Japanese mandated islands in the Pacific which were deemed essential to U.S. security. The President's press secretary added that islands not deemed essential to American security would be turned over to the United Nations for the establishment of collective trusteeship.

* * *

GOP WINS

INCOMPLETE returns of the polling in the United States indicated that the Republican Party made a clean sweep in the elections for the control of Congress and obtained a majority in both Houses, something which surprised even Republican supporters.

Thus, early returns showed that Republicans had 206 seats in the House of Representatives, while the Democrats held only 165, the rest being undecided at the time of writing.

In the Senate, out of 96 seats, the Republicans managed to secure 47

and the Democrats 41, with eight undecided.

With returns coming in, a definite trend in favor of the GOP is evident.

Comments varied in the United States and abroad. Former Republican President Herbert Hoover, declared: "The whole world, including the United States, has for years been driving to the left on the totalitarian road of 'planned economy.' America is, by this election, the first to repudiate this road."

Henry Wallace said: "A Republican Congress will inevitably multiply our economic problems and the American people, who fundamentally are always progressive....will turn to liberal leadership for help. As a result of this election the Democratic Party will either become more progressive or it will die. I do not expect it to die."

From England there were cautious comments. Scottish Communist William Gallacher, who had just come back from America, said that "it will hasten an economic crisis and will have a serious effect on the economy of Great Britain."

Lord Beveridge, famous economist, thought the Republican Party "is at least as likely—in some ways more likely than the Democrats—to take a good international point of view."

* * *

JAPAN

EMPEROR Hirohito, direct 124th descendant of the Goddess Amaterasu in an "unbroken line" which runs for more than 2600 years, last week announced the adoption of the new Japanese constitution, which renounces Japan's right to wage war. Some circles averred that this also transforms Japan from a semi-feudal state into a constitutional democracy, but there was no official confirmation of this report.

A UP cable from Tokyo described the "small, middle-aged ruler," as reading an imperial rescript "somewhat shorter than Lincoln's Gettysburg address," and said that he became the tool of warlords through their interpretation of Japan's first constitution, but has now transferred "sovereignty from his own hands to those of the Japanese people."

The floor of the spacious Peers' chamber was crowded with members of both houses and foreign visitors and there was a general impression that the Emperor, unaccustomed as he was to public speaking, was slightly nervous and uncertain.

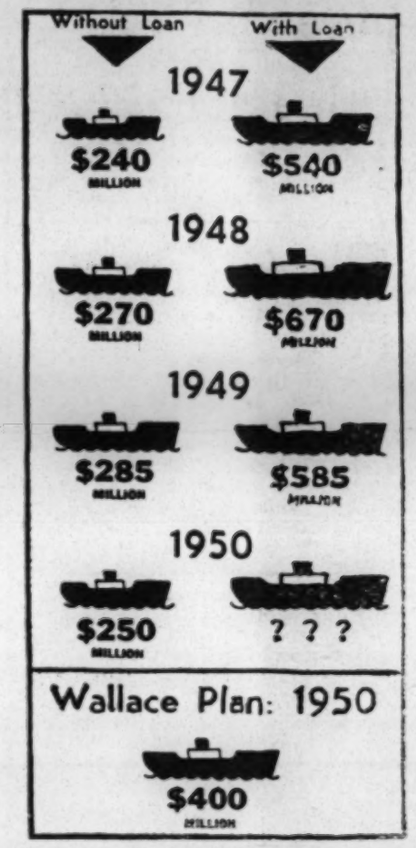
The only members of the Diet to oppose the new constitution were the Communists and one independent. These attacked the continuance of imperial rule, which "violates the basic democratic principle." The Communists promised to "continue the struggle with awakening the mass of workers for the realization of a truly republican form of constitution which will completely guarantee the principles of democracy."

* * *

EUROPE

WHILE fighting flared up in the streets of Trieste and the four Foreign Ministers were about to discuss this one usettled problem of European peace, Rumania, Yugoslavia, France, and Poland were preparing for elections.

FUTURE OF RUSSIAN IMPORTS FROM U.S.



From World Report

As was the case with Bulgaria, both Britain and the United States sent notes to the Rumanian interim government, stating that the campaign for elections on November 19, was "not quite free and unfettered." The notes pointed to the Moscow agreement last December, and requested equal facilities for the opposition parties.

The Rumanian Government replied that it considered these notes to be interference "in the internal affairs of a sovereign state" and added that any protest over the nonfulfilment of the Moscow pact should be endorsed by all the participants.

While in Bulgaria, the opposition did not register any official complaints against discrimination and intimidation, a British Foreign Office spokesman declared that unless two members of the opposition were included in the Government, Britain was not obliged to recognize the newly elected Government.

* * *

In Spain the underground movement against Franco appeared to be gaining momentum. Bombings occurred in three cities in the country and political unrest became more manifest. Four bombs exploded in Madrid while an undisclosed number of bombs went off in Valencia and Rondo.

Unconfirmed reports state that the Franco police had arrested the entire Central Committee of the Spanish Communist Party, while more than 200 persons were rounded up directly after the explosions.

The bombings were interpreted to have been timed to coincide with the Polish request in the UN General Assembly to break off diplomatic relations with Franco Spain and to strike the Spanish issue from the Council's agenda.

* * *

From Greece, a *Chicago Daily News* correspondent wrote on the inhuman conditions in which political prisoners were confined in Greece to show how political intimidation and persecution returned to the country with the King.

Weller said that the British advised Greek federal constabulary officers not to permit foreign correspondents to visit these prisons, but the American correspondent declared he obtained his information from "impartial non-Greek eyewitnesses."

He concluded his report with the statement that "Fascism is spreading in Greece."

* * *

The Italian Peace Treaty was discussed by the Big Four's Foreign Ministers in New YorkW ho decided to invite representatives of Yugoslavia and Italy. Meanwhile, Italy handed the Big Four a note denouncing the Italian peace treaty draft and said that it was not in keeping with the principles of the Atlantic Charter.

* * *

29 YEARS

AT the customary meeting of the Moscow City Soviet on the Anniversary of the Soviet Socialist Revolution, Stalin did not deliver the speech which observers expected. Neither was Molotov on the rostrum and the anniversary pronouncement was made by Andrei Zhdanoff, Secretary of the Central Committee of the Communist Party.

He defended vigorously Soviet foreign policy, and said that the Soviet Union is "the focus of all Democratic forces in the world," which has been a target of a "greatly expanded slander propaganda campaign by those to whom war is a profitable business and who are afraid of the rising forces of democracy."

Stalin, as Minister of War, issued the Order of the Day and declared that the absence of any threat of war "should not engender equanimity." He expressed confidence that the USSR would fulfill all the difficult tasks confronting it today.

SHEN YI, mayor of Dairen, was appointed mayor of Nanking by the Executive Yuan, to succeed Ma Chao-chun, who has been transferred to the post of Minister of Agriculture and Forestry of the Central Party Headquarters. Kung Hsueh-sui, vice-minister of Communications, has been appointed in his stead.

* * *

K. CHATTERJEE, Indian who fasted in London for five days and intended to fast unto death, has been persuaded to break his fast by a 45-year-old Indian woman, Jai Kighori Handoo. Chatterjee previously said he would fast until death unless an assurance was given that "immediately and unequivocally the independence of India will be announced."

What U.S. Papers Say . . .

CURRENT events in India, Japan and the deliberations of the United Nations General Assembly as well as the new Sino-American treaty brought forth editorials in the American press last week.

* * *

INDIA

THE *Baltimore Evening Sun*, writing on conditions in India, declared that these "were far from easy, but nevertheless, the realization of a hope whose fulfilment would have been seriously doubted a year or a month ago." Five members of the Moslem League, with the League's sanction, the *Sun* said, have accepted portfolios in the new all-India Interim Government. Seven of the 14 portfolios are held by Congress Party members. The Sikhs have one and the Untouchables one. "If this combination can pull together the tensions of India should be reduced and the ground should be well prepared for the Constituent Assembly now scheduled to meet in December to take the next major step in the direction of Indian independence."

The *Philadelphia Record* commented: "India for the Indians is becoming a reality. The British Labor Party knows that a free Canada and a free Australia were greater assets in the war than India. Liquidation by consent may end the Empire but build a stronger commonwealth."

The *Denver Post* said that "the decision of the Moslem League to join the new Interim Government encourages hope that India's 400,000,000 people will achieve sufficient political unity to win full independence. The controversy between the League and the Congress Party served to emphasize British good faith in carrying out the promise of Indian independence. Instead of taking advantage of the split between the two factions and pursuing a 'divide and rule' policy, the British insisted upon organization of the Interim Government."

The *New York Times*, saying that in India religion is politics and politics is religion, pointed to the composition of the Interim Government to prove this statement.

"It is depressing to find communal riots flaring up again in east Bengal, Bombay and Calcutta where 5000 victims of this senseless struggle already lie dead. Power to end it lies now with the Moslems. It is not reassuring at the very moment the Moslems were taking their oaths of office in the Viceregal Lodge to have their followers outside shouting for Pakistan."

* * *

JAPAN

THE *Erie* (Pennsylvania) *Dispatch-Herald*, discussing the censorship on reprinting an editorial dealing with the excessive hero worship of General MacArthur, deplored this situation and said: "This fawning over a personality may one day be the undoing of Japan. Servility in the Japanese people is a weakness which breeds emperor worship—and MacArthur deification. This poses another democratizing problem for MacArthur."

The *Toledo* (Ohio) *Blade*, writing on the same subject, thought that the American people may feel that the censorship in this case was invoked against the wrong people. "The occupation forces were supposed to be guiding the Japanese into the spirit and ways of Democracy. These ways do include independent thinking, but they do not include worship of any individual as a living deity. And how Japanese adoption of the same attitude could be interpreted as diminishing the reputation of any member of the occupation authorities is a mystery."

The *Sprinfield* (Missouri) *Leader and Press* said: "Whoever is responsible seems not only to have committed a senseless error but also to have hurt our effort to 'sell' democracy to Japan, at a time when, beyond the broader and more idealistic aspects of the program, it is decidedly to our national self-interest to do a positive, effective job of salesmanship."

* * *

TREATY

THE *New York Times*, commenting on the signing of the Sino-American Treaty of Friendship and Commerce, wrote: "As the first comprehensive trade treaty to be written by our government since the war, it sets the pattern for agreements which the United States hopes to make with other nations."

The paper emphasized the clause in the treaty which calls for each country to grant to the other the same rights to explore and develop mineral resources that it gives to third nations. "This is interesting in the light of Assistant Secretary of State Will Clayton's declaration that the American Government will have to give greater support to foreign investments aiming to develop strategic materials in short supply of which the United States is dependent on overseas production."

Some countries may find it difficult to adjust themselves to such a program, the *Times* declared, in view of the currently "socialistic trend in Europe, which is leading to progressive nationalization of industry." But reports from the International Trade Conference in London indicate that this problem is being met and solved, the paper added.

"One exception to the rule is Russia which shunned the London conference as it is shunning all other international economic organizations and is undertaking to organize its own economy in Eastern Europe on the basis of bilateral barter," the *Times* said.

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What Chinese Papers Say . . .

SEVERAL papers last week voiced anxiety over the current political situation and a pro-Government newspaper, sensing that China is at the crossroads, urged the Government to struggle for a "genuine unity and permanent peace" of the nation. Worthy of attention is a *Ta Kung Pao* editorial entitled "Realistic Dream."

• • •

GENUINE UNITY

THE pro-Government *Shun Pao* points out that the fervor evident on the occasion of President Chiang Kai-shek's birthday (October 31), indicates the bright future in store for the nation in spite of the present gloomy prospects for peace and unity.

"To find a solution for the present rather delicate situation," the *Shun Pao* says, "the Government ought to take up its own historical responsibilities to the Chinese nation. The authorities must see to it that the people are able to lead a peaceful and unmolested life and that a genuine unity and permanent peace is realized in this country."

The paper then assures the Government that it is not in the mind of the Communists to bring about peace, while the Government and all middle-of-the-roaders are only too eager to have it. This is the most auspicious time, the paper declares, that some "important move" be made on the part of the Government.

The *Shun Pao* suggests that the Government, first of all, issue a cease-fire order to cover all fronts, ordering Nationalist troops to cease attacking the Communists, provided the latter do not attempt to provoke them to conflict. In the second place, the paper says, the Government could announce the list of the National Assembly delegates currently with reorganizing the State Council by leaving a number of seats for the Communist and other party delegates.

• • •

ATMOSPHERE

THE *Chiao Sheng Pao*, organ of overseas Chinese, would like to see two things appear in the political atmosphere of the country before the National Assembly is convened, namely, amity and enthusiasm.

Only when amity and friendship exist among the various parties and classes, the paper asserts, is it possible for the constitution, representative of the will of all, to be born. Otherwise, the paper warns, "the constitution will only tend to hasten the national split."

Furthermore, the *Chiao Sheng Pao* argues, the National Assembly and with it the constitution, will be a success only on the condition that the people are enthusiastic over them, regarding both as the expression of their own well-being. In other words, the paper says, the Government should provoke on the part of the people an interest in the constitution similar to the interest they display in their own business and land contracts. The Draft Constitution of 1936 thus needs a thorough revision, the paper asserts, since it is not suitable for the above purpose.

• • •

THIRD PARTIES

DISCUSSING at length recent war and peace developments, the liberal *Wen Wei Pao*, makes the following analysis:

a) The Government is determined to convince the third parties that it is strong enough to defeat the Communists without causing a nation-wide disaster, and urges them not to worry on the cease-fire question.

b) In insisting that the National Assembly meet without further procrastination, and in urging the various parties to hand in their delegates' names, the Government "is practically carrying out a policy of isolating the Communists from the rest of the parties and gradually winning over the weaker elements among them."

c) In contrast to the opinion of the opposition parties which call for the reorganization of the State Council and the Executive Yuan, i.e., the supreme policy-making body and the executive organ, simultaneously, the Government is only willing to allocate a part of the seats in the State Council to the Communists and the other parties, and is unwilling to effect changes in the Executive Yuan.

Under Government pressure, the *Wen Wei Pao* admits, it is inevitable that some of the weaker elements will find themselves wavering. In conclusion, the paper urges third party delegates to continue their struggle for real democracy and not to be used as a mere facade for democracy.

• • •

DREAM

THE *Ta Kung Pao* deplores the contrast between the people's fanciful dream of yesteryear and their realistic situation of today. This dream has not been realized to general disappointment, the paper says.

The people dreamed of a reorganized government, with Mao Tze-tung, Chou En-lai and Chang Chun-mai discussing national affairs with President Chiang and Dr. T. V. Soong, and with various party leaders acting as ministers. They dreamed of "all quiet on the Chinese front," when all troops would be redeployed according to the military agreement.

The people also thought, the paper says, that all foreign troops would by this time be withdrawn from China and that the nations of the world would intend no sarcasm when they called China one of the Big Five. They also believed that reconstruction would by now be well under way. A cease-fire can make all these dreams a reality, the *Ta Kung Pao* says.

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EVENTS IN BRIEF

The Provincial People's Council of Yunnan Province recently cabled the Ministry of National Defense, asking to be relieved of the order to contribute 12,800 able-bodied men decreed in the emergency conscription throughout the country. The *Sin Min Wan Pao* said that Yunnan contributed more than 800,000 men in uniform during the war, but only an estimated 600 draftees have returned after cessation of hostilities.

* * *

The Shanghai High Court dismissed Wolfgang Schenke's appeal against the lower court acquittal of Walter G. Rundle, UP manager for China, on charges of criminal libel. The High Court decision is final and no further appeal to the Supreme Court is possible. Schenke was allowed by both courts to institute libel proceedings against Rundle in spite of being listed as an enemy alien facing war crimes charges and included in the list of Nazis to be deported by the Government.

* * *

An American school with 138 students has been opened in Tsingtao with the aid of the United States Navy. Many nationalities are represented among the pupils of the school which conforms to American educational standards and fulfills the requirements of the Chinese Ministry of Education.

* * *

Widespread disturbances in India continued despite precautionary measures adopted by police and troops on the occasion of the Moslem festival of Bakr Idd. Exact figures of casualties are not available, but they are believed to be heavy. In Bombay, the police opened fire twice in stone throwing incidents and 30 persons were arrested for hurling bricks.

* * *

The *London Daily Express* reported "authentic information" that the United States now possesses 96 atomic bombs. American atom factories produced six bombs per month at the time of the Nagasaki bombing and have being working full time since then, the paper said. Each bomb weighs about 9000 pounds and 25 feet long, the report added. An official denial of the *Daily Express* report has been made by Washington.

* * *

The flying of the rising sun flag on the mast of a former Jap warship which entered the Whangpoo last week has drawn vehement protests from the local Chinese press, which has demanded the authorities put an end to "this disgraceful incident." The vessel in question is an LST moored at the Jukong Wharf which brought cargo here by special permission of SCAP.

* * *

About 2000 rickshas, or 10 percent of Shanghai's total ricksha fleet, are now carrying licence plates with the numeral "4," indicating that they will be withdrawn from circulation as from the winter season. Withdrawn vehicles will be permitted to convert to one-seater pedicabs to provide employment for the pullers.

* * *

A general court martial will be held to try the U.S. sailor who is charged with having beaten and killed ricksha puller Tsang Dah Erh Tse, last month. Rear-Admiral W. A. Kitts, USN, informed Mayor K. C. Wu upon his arrival from Tsingtao that the court martial will be convened immediately.

The local *Min Chih News Agency* closed down recently on the order of the Bureau of Social Affairs, according to the *Chiao Sheng Pao*, but it is said that this followed not because of the agency's failure to comply with proper registration procedure. The paper said a "special order" was issued for the closure.

* * *

Six textile workers were discharged from the No. 6 factory of the China Textile Corporation for having filed charges of collaboration against a Mr. Chen of their factory management, the *Sin Min Wan Pao* reported. The Bureau of Social Affairs is investigating the case.

* * *

The munitions industry is working to capacity, although the civil war has affected "unfavorably" other industries and trades in the Southwest, the *Lien Ho Wan Pao* reports from Chungking. The paper said 11 arsenals in Chungking received orders to step up production. The 20th Arsenal alone, the paper asserted, received an urgent cable to provide 10,000,000 rounds of ammunition by the end of October.

* * *

Chinese employees of UNRRA last week were seeking a readjustment of their wages in order to enjoy equal treatment with foreign employees, the *Ta Kung Pao* reported. The Chinese employees held a meeting to discuss the measures to be taken to achieve their demands.

* * *

A purge of undesirable elements was due to commence in Nanking this week, through the means of a census-check up, according to the *Wen Wei Pao*. The checkup will include investigation of persons (1) suspected of endangering the country, (2) those released from prison on parole, (3) those whose movements are veiled in secrecy, (4) army deserters, idlers and wanderers, (5) those who hold radical views and commit barbarous acts, (6) all who live in huts and boats, and (7) all those who are dangerous to public safety or harmful to law-abiding people.

* * *

Chinese troops have occupied the French Indo-Chinese town of Moncay, near the Chinese border, according to reports from Hanoi. Moncay is on the Gulf of Tongking and 150 miles northeast of Hanoi.

* * *

A Chinese student who is now studying bio-chemistry under Professor W. N. Howarth at Birmingham University, is reported to have succeeded in opening the way to solve a problem which has defied previous solutions. Li Chong-fu, formerly of the Siang Ya Medical College, in Hunan, has been able to crystallize nuclaeic acid.

* * *

A special vote of thanks to the Chinese population of the Netherlands East Indies for aid rendered to Dutch internees during the Japanese occupation was unanimously passed at a meeting on Banka Island of Dutch nationals who had spent the war in Japanese concentration camps. Th. van Emstede, who moved the vote, expressed the hope that the Netherlands Government will not forget "these friends in need and distress."

* * *

The closure of the Yellow River dyke gap near Kaifeng will probably be effected around January 5, 1947, if no delay is caused by some political hitch, according to Oliver J. Todd, UNRRA's Chief Advisory Engineer to the Yellow River Conservance Commission.

British Empire Grows By 320,000 Sq. Miles

WHILE Britain is meeting with violent resistance elsewhere in trying to keep the Empire from falling apart, she encounters only feeble protests in annexing more than 320,000 square miles of territory: Sarawak, on the northwest coast of Borneo, and Bechuanaland, in South Africa.

The British Government, on October 30, formally annexed Sarawak, the "kingdom of the white rajahs," to the Empire by installing Charles A. Clarke as the first governor of the former British protectorate. The natives, mostly Malays, continuing their fruitless protest over the annexation, put up a few thousand posters on inauguration day. One of them read: "We want Anthony Brooke to be our rajah; Sarawak cannot be ceded as though it were a colony."

Meanwhile, a letter of protest signed by two Malay chieftains was sent to King George VI, asking him to revoke the cession bill, and charged that the former rajah, Vyner Brooke, had sought to cede the state to the Crown to his own advantage. It was earlier reported that the rajah, through an act of Parliament, retained £1,400,000 for his old age.

Family Feud

A family feud also developed. His cousin, Anthony Brooke, who was proclaimed heir to the throne before the war, voiced his protests in Parliament and wrote a book with the help of his father, denouncing his uncle's intentions.

Sarawak, with 50,000 square miles of each oil, rubber, coconut and forest lands, proved to be a country of strategic importance when the Japanese struck at Borneo and the Malay peninsula in taking Singapore. It has a population of 500,000 Malays, Dyaks and Chinese. The Dyaks have made a name for themselves through centuries of head-hunting. A small number of them has been persuaded by missionaries to abandon head-hunting and witchcraft, but the majority still roams the jungle fastness as of yore.

Historically, Sarawak was part of the Malay empire of Brunei, a little more than 100 years ago. The country was seething with tribal warfare and starvation when a young British, buccaneer, James Brooke, sailed into the country, reputedly looking for beautiful Bornean butterflies. He quickly helped the aged Malay ruler to put down the uprisings. As a gesture of gratitude the old sultan asked the former East India Company soldier to rule the country for him. A unique rule by a line of white rajahs began.

Chief Protests

The other protectorate, Bechuanaland, to be incorporated into the British South African Union, is a former mandated territory of 275,000 square miles in southern Africa. Chief Khama wrote a letter of protest to the British Government, stating that the Union was "showing oppressive imperialist tendencies which vitally concerned the United Nations." He also said that he was refused facilities to visit Britain to protest against the transfer.

The British Government, however, was sterner with Chief Khama than with the two Malay chieftains in its reply to their protests. In a statement the British Government said that the chief's opposition was "based on a misconception." It added: "The British Government had no reason to suppose that native administration in Southwest Africa by the Union, as the mandatory power, had been open to criticism."

One reason for the stern attitude, observers believe, is that Chief Khama is too far from the political hotbed of nationalist Indonesia.

Who's Who in China

MEI JU-AO, jurist and government official, born in Nanchang, Kiangsi, October 1, 1904; graduated from Tsinghua college, 1924; graduated from Stanford University *magna cum laude* and elected to Phi Beta

Dr. Mei Ju-ao

（梅汝璈）

Kappa, June 1926; doctor of jurisprudence, University of Chicago, September 1928; traveled and studied in Europe, 1928-1929; professor of Nankai University, 1929-1930; professor of law, National Wuhan University, 1930-1933; counsellor, Ministry of Interior, 1933-1935; chief editor, Sun Yat-sen Institute and lecturer on Anglo-American law at Central Political Institute and National Fuhtan University, 1935-1945; member, Legislative Yuan, since 1935; judge, International Military Tribunal for the Far East, Supreme Command of Allied Powers, Tokyo, since spring of 1946. Dr. Mei is member of the Chinese International Law Society and of the Board of Directors, China Branch, International Economic Association; author of Modern Jurisprudence (in Chinese), 1931; and Towards Constitutional Government in China (in English), 1941; address: c/o International Military Tribunal, Tokyo.

J. C. SUN has joined the faculty of Peiyang University, of which institution he is a graduate. In addition to his new duties he is advisor to the North China office of the International Department of the Ministry of Information. Mr. Sun recently resigned the editorship of the Peiping Chronicle.

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PEOPLE IN THE NEWS

NELSON T. JOHNSON, former Ambassador to China and Australia, now director general of the Far East Commission, urged Americans interested in international affairs to keep their eyes on the Orient, especially Japan and China. He said that the way these peoples, particularly the Japanese, use new tools of democracy is likely to vitally influence world events.

* * *

GEN. CHANG CHUN paid a 50-minute visit to President Truman last week. The subject of conversation was not revealed but observers believe that General Chang could not have spent 50 minutes over "social pleasantries."

* * *

CYRIL ROGERS, former adviser on Germany and Austria to the Bank of England, has left England for Nanking to take up a position as financial adviser to the Chinese Government at its invitation. He was member of a financial mission to China in 1935 and later financial adviser to China during the war.

* * *

O. K. YUI, Finance Minister, described rumors on the issue of the "Sun" currency as "entirely groundless." Yui arrived here and conferred with Tsuyee Pei, Governor of the Central Bank of China, "touching broadly on the current financial situation here."

* * *

ELLIOT ROOSEVELT, son of the late president, was due to leave for the Soviet Union for a six-week tour to gather material for magazine articles. He will be accompanied by his actress wife, Faye Emerson.

* * *

HENRY WALLACE, former Commerce Secretary, speaking at a Democratic rally in Chicago, called Soviet Foreign Minister Vyacheslav Molotov's proposal for world disarmament a "daring challenge." He urged the United States to join in a call for world disarmament and added: "We won't have peace by following Churchill and other Russian baiters. We won't have peace by following the path of those who call for dropping an atomic bomb on Russia now."

* * *

MAYOR K. C. WU, speaking at the American University Club, called upon college students who have received an American liberal education to come to the fore in making Shanghai a better place. Wu told some 200 American university graduates of various nationalities that higher education makes a man more selfless.

* * *

FIORELLO LaGUARDIA, UNRRA Director-General, announced last week that the United States west coast maritime strike is now the only thing preventing UNRRA from resuming full shipments of supplies to China. He added that the Chinese transportation situation is now greatly improved and that UNRRA is ready to resume shipments here as soon as the shipping tangle is solved.

* * *

TANG YANG-TU, governor of Shantung under the puppet regime, received the death sentence from the Nanking High Court last week. He was convicted of high treason and active collaboration with the enemy during the Japanese occupation.

EMPEROR HIROHITO knew in advance the outline of the plan to attack Pearl Harbor, the International War Tribunal in Tokyo learned last week. This was stated in an American intelligence report, introduced over defense objections, which reconstructed the preludes to war from documents and the memoires of key Japanese participants.

* * *

HJALMAR SCHACHT, former President of the Reichsbank acquitted by the Nuremberg War Crimes Tribunal and rearrested by the Germans, was refused aid by the American military government when he sought freedom with the aid of this agency. In his application Schacht termed his arrest by the German authorities as "unjust."

* * *

JOHN D. SMALL, Civilian Production Administrator, stated that the American business recession which some have forecast for next year will not come if the country can maintain the same high level of employment and production existing at present. "In the year since V-J Day, America has nearly reached the goal of full employment and full production," Small added.

* * *

BENJAMIN H. KIZER, former UNRRA China Director, in a lecture in Seattle, denied that there is any contact between the Communists of Russia and China. He said "The Russians call the Chinese Communists 'marmalade communists.'" He stated that the Chinese Communist Party's present goal is a counterpart of the American Farm Labor Party's aims.

* * *

SIR HARTLEY SHAWCROSS, Britain's Attorney General, told the Pan American Association in Atlantic City last week that although the Big Four veto power had been abused in the Security Council, it would be unwise to amend the Charter at present. "I don't believe the veto, or more strictly the unanimity rule on the Security Council, will in any way be fatal to the United Nations."

* * *

HAROLD J. TIMPERLEY, acting director of CNRRA's Public Relations Department, has tendered his resignation to both CNRRA Director-General P. H. Ho and UNRRA's Major General Glen Edgerton. Timperley is due to return to Washington after completion of a special assignment in England. He has been offered an important post in the United Nations Secretariat.

* * *

HSU MENG-HSIUNG, Chinese consul in Kuala Lumpur, addressing a large gathering of Indians, said that India and China, by virtue of their common philosophy and love of peace, will become the pillars of world stability. He added that for this reason other countries were anxious to see India and China unified nations.

* * *

SANGUAN TULARAK has been named the first Siamese Ambassador to China. He was formerly a member of the cabinet and a prominent member of the free Siamese movement.

* * *

WALTER S. ROBERTSON, minister-counselor and U.S. representative on the peace commission in Peiping, has submitted to President Truman his resignation from both positions.

Business Conditions Worsening; Stock Mart Decline Continues

THE Shanghai market was greatly affected last week by rumors of the imminent issuance of the "Sun" currency. According to this rumor one "Sun" dollar will equal CNC$1500 and it will take four "Sun" dollars to buy one American dollar. In other words, the new currency's foreign exchange will reflect a further devaluation of Fapi to CNC$6000-US$1. It was further rumored that printed "Sun" notes had been sent here and would be put into circulation shortly.

Although this was emphatically denied by Minister of Finance O. K. Yui as well as high officials of the Central Bank, the market definitely was affected and registered an appreciable increase in the local gold quotation. To stabilize the financial market and to strengthen the position of Fapi, the Minister of Finance has transferred to the Central Bank of China a sum of US$500,000,000 to bolster its Fapi reserves, according to local press reports.

The Central Bank of China sold 2016 gold bars during the week to gold shops and another 1200 gold bars in the open market, to keep down the price of gold. Approximately CNC$4,700,000,000 was called in by these sales at the following prices:

Oct. 28	54 bars at	CNC$2,270,000
29	162 bars at	CNC$2,272,500
30	180 bars at	CNC$2,332,500
31	200 bars at	CNC$2,330,000
Nov. 1	68 bars at	CNC$2,327,500
2	152 bars at	CNC$2,210,000

On November 5 (Tuesday) the gold quotation again rose to CNC$2,380,000 showing the firm trend of the market. The decline of gold prices in Hongkong due to the arrival of gold shipments from Mexico, has apparently failed to affect prices in Shanghai.

Little business was reported in American dollar notes, and practically no change in price. Black market quotations continued between CNC$4050 and CNC$4250.

The week ending November 2 was the quietest experienced by the Shanghai Securities Exchange since its establishment. Quotations dropped heavily. Wing On Textile shares, the most popular on the exchange, fell from CNC$745 to CNC$638, while Mayar Silk reached a new low of CNC$2720. Total turnover on the exchange was 53,591,000 shares. The breakdown is as follows:

	Shares
Oct. 28	9,347,000
29	8,737,500
30	11,347,000
31	8,123,000
Nov. 1	8,120,000
2	7,916,500
TOTAL	53,591,000

Stock Company Collapses

Speculators and investors lost heavily on the exchange according to well-informed business circles, one stock company (not a member of the exchange) declaring bankruptcy. This was Chung Yih with a reported deficit of CNC$820,000,000. Many small stock companies also were reported to have closed.

It may be recalled that in the latter part of September a broker's seat carried a premium of CNC$7,000,000; by the middle of October, when two brokers actually withdrew from the exchange, the premium had gone. By the end of October some brokers were willing to sell their seats at a discount of 30 percent. In other words they were ready to accept CNC$14,000,000 for a seat which included a CNC$20,000,000 deposit paid into the exchange. The reason is that brokers are unable to recover their deposits in less than two months and prefer to take the loss. However, no transaction of this kind actually took place.

Conditions Worsening

Business conditions in general went from bad to worse in the outports as well as Shanghai. In Hankow it was reported that 117 industrial and commercial firms had closed their doors because of heavy losses. They attributed their failure mainly to the high rate of interest charged by the banks and moneylenders. In Shanghai, the Ta Kung Pao revealed, 80 firms closed down during the months of August, September and October; most of them were leather shoe companies and metal shops. One press report quoted a high official of the SMG Bureau of Social Affairs as saying that before the end of this year over 4000 shops can be expected to close down.

The official explained that many of these shops with a capital of perhaps CNC$100,000,000 had borrowed more than CNC$1,000,000,000 at high rates of interest. With commodity prices increasing comparatively slightly—the Central Bank of China's Economic Research Department figures the increase of wholesale commodity prices at only 24.7 percent—these firms were unable to meet expenses and interest payments.

Government control of the textile and wheat flour markets has become more effective in the past week. Large quantities of cotton yarn were sold to the public by the mills under the instructions of the Textile Control Committee at the official price of CNC$1,750,000 per bale of yarn 20's.

Textile, Flour Prices Upped

Meanwhile, some of the large wheat flour mills have resumed operations and are producing 12,000 bags of wheat flour daily, which is just sufficient to meet local demand. The price of flour has been increased by the city government from CNC$13,900 to CNC$20,500 per bag. Although 100,000 tons of wheat ordered from America have not yet arrived the authorities have arranged to distribute 20,000 tons of wheat to the mills to keep them busy.

The rice market remained quiet with quotations in the black market actually dropping. Peanut oil rose a little in price because of the limited supply. Trading in other commodities such as yarn, cloth, artificial and raw silk, continued quiet and on the weak side although the undertone remained firm.

The five-fold increase in postal and telegraphic charges, the 50 percent increase in railway passenger fares and the imposition of a surtax on telephone, water and electric light have not much affected local financial and commodity markets although they have definitely created a bad impression among the people who complain that the cost of living index was up to 521,885.67 in October.

The following table gives the quotations of some of the leading commodities in Shanghai during the past week:

	Oct. 26 CNC$	Nov. 2 CNC$
Gold bars	2,288,000	2,340,000
US Dollar notes	4,150	4,120
Bond C	2,070	1,550
Wing On Textile	745	638
Ewo Cotton	8,500	8,000
Rice	60,000	60,000
Wheat flour	19,800	21,900
20's Yarn	2,330,000	2,080,000
Raw silk	3,750,000	3,700,000
Artificial silk	3,700,000	3,400,000
Peanut oil	109,000	114,000
Ruby Queen cigarettes	16,000	12,800
Koo Ban Soap	47,000	47,000
My Dear matches	580,000	580,000

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STRANGLEHOLD

Law Firm Of Franklin And Bryan Formed

THE firm of Franklin and Bryan, Legal Advisors, was inaugurated as of November 1, when Robert T. Bryan left the American Foreign Service to resume his Shanghai law practice in partnership with "Judge" Cornell S. Franklin. Both lawyers have practiced for many years in Shanghai.

Mr. Bryan was born in 1892 of American parents in Shanghai and attended the Ming Jang Academy. In 1916 he received his LLB from the University of North Carolina. He returned to China after a year's practice to become a member of the bar of the U.S. Court for China. After 11 years of private practice in Shanghai Mr. Bryan became police advocate for the Shanghai Municipal Council in 1928; in 1910 he became municipal advocate for that body, in charge of all criminal and civil matters. In the same year he was admitted to practice in the Chinese courts in the International Settlement. After the war Mr. Bryan returned to China as legal advisor to the U.S. Embassy, which post he has just relinquished to join Mr. Franklin.

Judge Franklin was born in Columbus, Mississippi, in 1892. He is a graduate of the University of Mississippi, from which he obtained his law degree in 1914. After private practice in Honolulu from 1914 to 1917 he became Assistant Attorney General, and in 1919 First Judge of the First Judicial Circuit Court of Hawaii. In 1921 Judge Franklin came to Shanghai where he practised until the war. He returned to China to resume his practice a year ago. Judge Franklin was elected to the Shanghai Municipal Council in 1933 and became Chairman in 1937, in which capacity he served until 1940.

To strengthen the reserve behind the fapi notes the Ministry of Finance has transferred US$500,000,000 to the Central Bank of China last week, according to the *Sin Wan Pao*. This sum would amount to CNC$1,675,000,000,000 at the prevailing official exchange rate.

BUSINESS FOOT-NOTES

Japanese plans to export more than 2,000,000 yards of felt and wool cloth to Far Eastern markets in the near future, is interpreted as a "warning to Chinese industries, especially the young textile industry," by the *Shun Pao*. The paper points to the fact that China can in no way compete with Japan in the wool field since her machines are antiquated and hard to replace.

* * *

New bank notes printed in England for the Central Bank of China are arriving here continuously, the *Chien Hsien Jih Pao* reports. The paper said that 1200 cases of notes of higher than CNC$1000 denomination are currently being shipped here via Butterfield & Swire.

* * *

China's gold production in the interior provinces during 1939 totaled 130,000 ounces, of which 30,000 were produced in Szechuen, 20,000 in Kansu and Chinghai, 20,000 in Hunan, 10,000 in Kwangtung and Kwangsi; and 40,000 ounces in Sinkiang and Outer Mongolia. If gold mining were to be developed, Hunan alone could produce 300,000 ounces and the entire output would reach over 1,000,000 ounces annually.

* * *

The new Broko-Banovici railway in Yugoslavia, which was first estimated to require two and a half years to build, was opened for traffic November 7, a little over six months after work was started by volunteer youth brigades comprised of young men of Poland, Czechoslovakia, Bulgaria, Albania, Greece, Rumania, Hungary and France.

* * *

The first consignment of British bridges for China is now at Tilbury Docks, London, being prepared for shipment. The consignment totals 1500 tons and comprises sectional type bridges as used by the military in railway construction. In all, the bridging material will amount to 42,300 tons, sufficient to construct 504 bridges.

* * *

The Department of Labor will ask the next session of Congress to appropriate US$10,000,000 in 1947 and increase the yearly allotment to US$15,000,000 by 1949 for labor relations courses at universities. The proposed legislation, which has support of both the AFL and CIO, would establish a labor information branch to issue pamphlets and a field staff to investigate specific labor problems.

ATTENTION

Through the courtesy of the Chinese Post Office, stamps commemorating the 60th birthday of Generalissimo Chiang Kai-shek have been reserved by The China Weekly Review and will be used on wrappers containing the November 16th issue, if they are available at that time. Subscribers should study their wrappers carefully next week as well as subsequently as it is hoped also to use stamps commemorating the convocation of the National Assembly at a future date.

The Ministry of Agriculture and Forestry has decided to transform enemy fishing enterprises on Hainan Island into a semi-official company to be known as the Hainan Sea Products Company. Equipment is valued at CNC$3,300,000,000, which was covered by issuance of the official new company's shares.

* * *

More than 10,000 tons of Japanese textile produce will shortly be shipped to the Netherlands East Indies to alleviate the needs of the population there, according to the head of the Netherlands Mission in Tokyo. He said the United States had imported raw materials into Japan to enable the country to pay with labor for American foodstuffs.

* * *

The Round Room of the Birmingham Art Gallery reopened last week with an exhibition of Chinese pottery, indicating a revival of interest by collectors throughout the country for Chinese pottery manufactures.

* * *

During the past three months prices throughout the country have fluctuated violently since August 19, the date of the exchange rate revision. By the end of October quotations had doubled, with cloth and fuel topping the list.

* * *

The main reason why Chinese exporters cannot at present send their raw silk abroad is due to local prices being equal to those quoted in foreign countries. It was also said that the present stocks and production methods cannot satisfy demands of foreign buyers.

* * *

During the third quarter of 1946, China and the Philippines were among the multi-million dollar purchasers of American surplus goods, according to a quarterly report on surplus property sales. Top recipient was France, which in the second quarter got goods costing US$1,400,000,000 for US$300,000,000.

* * *

In addition to the 24 flour dealers who were found guilty of selling black market flour recently, another 17 flour dealers have been discovered selling at inflated prices, the *Sin Wan Pao* reported. These 41 dealers will be severely punished, the paper said.

* * *

Notes of denominations below CNC$25 have practically no purchasing power and the authorities have decided to recall such notes and destroy them, the *Sin Wan Pao* said.

* * *

A spokesman of the Fuel Control Commission of the Ministry of Economic Affairs said that in order to balance the national treasury's budget, price readjustments will be effected for all enterprises now getting monthly rationing quotas of commodities. The Commission rations out 130,000 tons of coal monthly.

* * *

The blackmarket for foodstuffs, cigarettes and other essentials in Hongkong has disappeared and prices of most luxury goods have tumbled 50 to 100 percent, as direct result of Government efforts to stabilize living conditions in the Colony, *Reuter* reported.

* * *

The Taiwan Provisional Chamber of Commerce has submitted six proposals to the Government, including the reorientation of the present sugar policy, regular steamship sailings between Taiwan ports and China proper, lifting of control on coal shipments to the island, and improvement of the present tax system.

China's Civil War

As Reported Day By Day In The Press

October 30, 1946

HEAVY fighting was reported raging in the outskirts of Chefoo, where thousands of Communist troops are putting up stiff resistance to the Nationalist columns threatening this port on the north coast of the Shantung peninsula, according to *Reuter's* in Nanking.

The *Hsin Min Pao* said there were unconfirmed reports that Chefoo had been taken by Nationalist troops.

* * *

October 31, 1946

Government forces occupied Pingtu, 90 miles southwest of Chefoo, the *Hsin Min Pao* reported.

The Nationalist fleet participated in action around Chefoo and is reported to have sunk a number of troop-carrying Communist barges.

Along the Peiping-Hankow railway, the Nationalists unleashed an offensive against Hsinleh, 50 miles south of Paoting, the *Hsin Min Pao* reported.

In North Kiangsu, the Nationalists captured Shuyang, 20 miles northwest of Huaiyin. On the other hand, the Reds took Lienshui, 19 miles northeast of Huaiyin, and reports said this city is now besieged by Government forces.

Government forces drove toward Dairen to "cut off Communist communication lines," and the *Hsin Sheng Pao* said they had pushed past Chuanghao, 93 miles northeast of the port.

The three Communist-held harbors of Chefoo, Weihaiwei and Lungkow were under Nationalist attack, according to Tientsin reports.

* * *

November 1, 1946

Severe fighting developed around Weihsien, 68 miles southwest of Kalgan in Chahar province, where Communist concentrations threaten the Peiping-Suiyuan railroad.

Vanguards of the Nationalist army driving in the direction of Dairen, have reached a point 33 miles north of the port, according to the *Peiping Jih Pao*. They also captured Tehsien, in the vicinity of Pulantien, on the border of Manchuria and the Liaotung peninsula.

* * *

November 2, 1946

Tunghua, an important Communist center on Liaotung peninsula, about 200 kilometers east of Mukden, was captured by Government troops according to the Ministry of National Defense.

Communist troops attacked Yungchen, in southern Shantung, but suffered a reverse, according to *Central News*.

Reports from Nanking indicated that the Nationalists were still storming Chefoo, and were said to have captured Lintse, Communist operational base in Northern Kiangsu. The *Ta Kang Pao* said Government troops broke into the center of Chefoo, while another column was headed from Tsimo for Haiyang, 80 miles northwest of Tsingtao.

In Hopei Province, Red troops proceeded to attack Paoting which they still hold under siege, in spite of the Government drive to relieve the city, Government reports acknowledged.

* * *

November 3, 1946

Government troops were reported to have left Antung because "Communist troops are shelling Antung from Soviet-occupied Korea across the Yalu River and the Nationalist forces have voluntarily withdrawn from the city to avoid an international incident," UP reported.

* * *

November 4, 1946

Nationalist forces have effected landings at Weihaiwei, Lungkow, and Fenglai in a three-pronged drive on Chefoo, UP cabled from Nanking. The *Hsin Min Pao* said that the Nationalists captured five ports on the Shantung peninsula and are now attacking Red junks at sea.

Central News claimed the Communists unleashed a heavy offensive on the Nationalist positions near recently captured Pingtu but had been hurled back.

The Communists claimed a major victory in the Kwantien area, about 100 miles southeast of Mukden, when the Red forces annihilated 5000 men of the 26th Nationalist division, which is American-trained and American equipped, according to *Reuter*.

* * *

November 5, 1946

The Nationalists continued their campaign of clearing the Communists out of South Manchuria and captured two more towns north of Tunghwa—Hsiaochengtzu and Tiaoyutai, Tom Masterson, AP correspondent, cabled from Peiping.

In Chahar, Government forces entered Weihsien, 69 miles to the southwest of Kalgan, near the border of Shansi province, the Chinese press in Peiping reported.

No Fighting Yet In Chefoo

William Ayers, freelance writer, who left Chefoo for Tsingtao, cabled that there "were absolutely no hostilities at Chefoo prior to November 2, when we left it." He added, however, that the city was preparing for a possible invasion. Ayers' report thus contradicts newspaper stories on the "unconfirmed fall of the port," which appeared late last week.

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NEW BOOKS OF INTEREST

Christian Action

TOWARDS CHRISTIAN DEMOCRACY *by Sir Stafford Cripps. Published by Philosophical Library, New York, 1946. 101 pp., US$2.00. Reviewed by Marion Barney.*

THE cry for a more militant Christianity in the conduct of worldly affairs has been heard time and again. In this book we are once more exhorted to carry the precepts of Christian ethics into our weekday activities.

Sir Stafford's principal ideas are as follows: The subjective, personal, otherworldly side of religion must not be observed to the exclusion of the ethical side which equips us with standards for the conduct of our objective lives. The Christian Church should guide politics with a general standard of morality while leaving to the politicians technical decisions in specific instances. Christianity and democracy are closely allied in that they advocate the dignity of the individual and the brotherhood of man. The motivating forces of greed and fear must be replaced by the force of Christian love. While government strives to make the exploitation of man by man impossible (Sir Stafford gently hints at socialism), Christianity must remove man's selfish inclinations. Christians and the Christian democracies must live up to their professed ideals, putting them above self-interest and pursuing the goal of a good peace with all the ardor with which they fought the war.

Sir Stafford's presentation seems no more nor less effective than other books and sermons on the same subject. His exposition is clear and effective, happily lacking the hysteria that is sometimes found in this kind of work. The chapter on "Industry and Christianity" dealing with a controlled versus a free economy bolstered by Christian ethics is a particularly good one.

It might be argued that the book is weakened by bringing in the question of divine inspiration as it is with the ethical, not the mystic, side of religion that the book is concerned. Some people will question the author's assertion that Christ thought in international terms except as isolated "gentiles" came within the range of his personal experience—modern Christians must deal with the problem on a broader plane than that.

On the whole this is a thoughtful book and interesting as it reflects the religious convictions of a practical economist and philanthropist.

The following is the creed which is recommended for Christians:

"I believe in the brotherhood of all men, whatever their race, color, creed or class, as taught by the divine life of Christ, and I pledge myself, without thought of my own interests, to work unceasingly to establish by my daily actions that measure of justice and equality in my own country and throughout the world which can alone form the basis for a happy Christian community of life amongst all the peoples.

"I will never give in to the powers of evil or to injustice and inequity, however much I may suffer personally by my resistance. I will fight on ever, here as there because I believe that thus alone can Christ's Kingdom be established here on earth."

It is the problem of such a book as this, not to convince but to exhort to action. Sir Stafford addresses himself to Christians who are familiar with the ideas he expounds; his purpose is to pursuade them to act upon those principles. The book cannot be called inspirational. It is one more stroke of the hammer which may eventually pound the nail home.

Non-Nazi Opinion

IM WANDEL DER ZEITEN (*Changing Times*) *by F. Lindemann, Lieutenant-General. Published by the author, Peking, 1946. 397 pages. Reviewed by J. R. Kaim.*

WRITTEN by an elderly retired German Army officer this book on what went on in Nazi Germany is of both psychological and historical interest. When General Lindemann was commander of the Infantry School in Munich (1919-1925), he saw the start of what was to become the greatest political movement of our times, namely, National-Socialism.

Observing further developments from Peiping, where he arrived in 1929 as Adviser to the Chinese Government and Professor of Military Sciences, the author soon arrived at the conclusion that Hitlerism must lead to war, destruction and the loss of all that of which Lindemann's fatherland used to be proud.

The book is important from a political point of view, too, for it shows that by no means all German military experts were enthusiastic admirers of German military planning. Lindemann's book at any rate proves that one needed to be no leftist to understand that in spite of its phenomenal victories in all war theaters, the German army was doomed to lose the struggle.

In very sincere words Lieutenant-General Lindemann explains his abhorrence of Nazi terrorism and, through quoting Hitler, Goering, Goebbels and the small fry among Nazi leaders, offers psychological studies of high interest. They should be read by all those outside Germany who, in spite of all, still feel some admiration for "men who after all wanted the best but failed to convince the world."

The book will be translated into English in the United States and it may be hoped that it will help to destroy the still living legend of Hitlerism as a "great idea."

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Essay On Love

MEMOIRS OF HECATE COUNTY *by Edmund Wilson. Published by Doubleday & Company, Inc., New York.* 338 *pp.*, US$2.50. *Reviewed by Marion Barney.*

"THE adventures of an egoist among the bedeviled," as the publishers describe this book with unusual aptitude, make racy if somewhat irritating reading. That Mr. Wilson's "Memoirs" have been banned in the States seems quite reasonable. F. Scott Fitsgerald and D. H. Lawrence could scarcely have hoped to achieve anything more shocking.

Five of the six essays are rather skillful bits of nihilism. The author has considerable powers of description and character portrayal and a very facile pen. "Glimpses of Wilbur Flick" is a most unusual and telling commentary on the neurosis of a modern child of fortune. These sections are compounded of bits of interesting political, social, aesthetic and personal philosophy.

The essay to which exception has been taken is a blatant description of sexual orgies with little literary merit. One wonders if this is a tour de force written to prove the lack of literary taste with which in his more analytical moments the author taxes the public. One cannot escape the implication that "sex is of the essence" in the sale even of a book with literary aspirations.

Discounting the blow by blow description of Mr. Wilson's erotic prowess, the man's tired cynicism is a little wearing. The last generation had its Dadaists—we have Mr. Wilson.

Electrokymograph

THE McGRAW-HILL DIGEST...*Monthly magazine containing excerpts from current numbers of* 26 *McGraw-Hill technical and business magazines and books. Published by the McGraw-Hill Publishing Co., Inc., New York.* 32 *pp.*, US$0.50. *Reviewed by F. J. Chih.*

FOR a long time manufacturers, technicians, businessmen, researchers and other professional people in this country have strongly felt the need for a good trade journal, catering particularly to each of their specific lines or professions. This need is greater now as China will soon have to buckle down to the task of reconstructing and fashioning the country's industries and trades along scientific lines in the atomic era, and when there is a greater volume of commercial intercourse with other countries.

The *McGraw-Hill Digest* is a good answer to that need. In every issue of this monthly magazine one will find concise reports on all the important developments in engineering and technology—selected from MrGraw-Hill's 26 leading technical and business publications, which serve every important branch of industry. It is illustrated with photographs, charts and diagrams.

The following excerpt taken from the widely-read *Business Week* and appearing in the October issue of the *McGraw-Hill Digest* will give a rough idea of what this magazine, which is something like the *Reader's Digest* except that it caters mostly to technical and business people, is like:

"Because it enables a physician to photograph accurately the motion of the heart, a new electronic device permits early diagnosis of heart trouble. Developed by Temple University and the U.S. Public Health Service, the electrokymograph is more useful than X-rays in studying heart action, because the motions revealed by the latter are more complex than the eye can fully comprehend."

Meet Homer Adam

MR. ADAM *by Pat Frank. Published by J. B. Lippincott Co., Philadelphia.* 1946. 252 *pp.* US$2.50. *Reviewed by F. J. Chih.*

Came the atomic bomb and the world was in jitters—conquerors and conquered alike. This fear died down somewhat as months passed by but was quickly revived by Operation Crossroads when America staged a mammoth test on the Bikini lagoon. Even the Russian bear was irked out of its snowbound lair to make a few statements, denouncing America as saber-rattling. The tension was being kept up while the United Nations Atomic Energy Control Council aimlessly deliberated on what to do with the modern Frankenstein. Blessed with an exceptionally free press this tension is being kept at a terrifying height in the U.S. This novel is the direct descendant of this universal state of mental tension.

The author is a newspaperman. What he sees in this mess as created by the sudden advent of the atom bomb is an honest account of what he thinks about this imperfect world.

There is an accidental explosion in a Mississippi atom bomb plant and the world suddenly finds its entire male population sterilized. The imminent end of mankind seems certain until one Homer Adam turns up. Adam was at the bottom of a lead mine in Colorado at the moment of the fateful explosion and was unaffected by the atomic rays. Ironically this man who is destined to repopulate the earth is a frail, lanky, timid and exceedingly self-conscious person.

Naturally, Adam is immediately in great demand. The U.S. Government values him above the greatest secret man has just discovered, the atom bomb, and the U.S. Army keeps him a Military Secret. What happens to poor Adam, in view of Washington's endless official red tape, inter-departmental dickering, international suspicion and diplomatic maneuvering, and above all the frailty of human nature, is a comic panorama of the circumstances and consequences that could happen to any one of us in this exceedingly imperfect world.

Mr. Adam is a somewhat shallow satire, but still it is a timely satire. What appears in this novel, whether expressed or implied, is worth any one's attention, even if he often has to skip from paragraph to paragraph over a good part of boring shop talk and somewhat indecent description of the virtues of the male germ and the like.

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7.00	8.30	9.00	11.00	12.30	13.30	21.50	23.00	D 上海 SHANGHAI A	14.45	16.25	17.10	19.30	21.35	22.45	6.35	8.00
		10.16	12.14	13.48		23.23		D 北站 NORTH A		15.24	16.05	18.15			5.28	
8.41	10.09	10.57	12.57	14.29	15.17	0.20	1.06	D 崑山 KUNSHAN D	13.06	14.33	15.19	17.29	19.42	21.06	4.39	5.39
8.48	10.14	11.06	13.04	14.36	15.26	0.27	1.13	A 蘇州 SOOCHOW D	12.59	14.19	15.09	17.21	19.34	20.58	4.32	5.19
9.36	11.05	11.54	13.55	15.25	16.14	1.22	2.08	D 無錫 WUSIH A	12.11	13.24	14.10	16.27	18.45	20.10	3.39	4.26
9.42		12.06	14.02		16.23	1.29	2.15	A 無錫 WUSIH D	12.04	13.18		16.21		20.03	3.38	4.19
10.31		12.59	15.01		17.09	2.27	3.13	D 常州 CHANGCHOW A	11.17	12.22		15.20		19.16	2.35	3.30
10.40		13.08	15.15		17.19	2.37	3.25	A 常州 CHANGCHOW D	11.06	12.09		15.08		19.06	2.24	3.20
11.38		14.00	16.13			3.56	4.29	D 丹陽 TANYANG A		11.09		14.05		18.12	1.07	2.03
11.41		14.03	16.17			4.00	4.33	A 丹陽 TANYANG D		11.05		13.55		18.03	1.02	2.00
12.18		14.40	17.01		18.46	4.46	5.18	D 鎮江 CHINKIANG A	9.32	10.28		13.07		17.23	0.09	1.07
12.25		14.45	17.17		18.53	4.55	5.27	A 西站 WEST D	9.24	10.21		12.59		17.15	23.56	1.00
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SOOCHOW	蘇州	87	4,400.	5,400.	2,200.	2,700.	1,100.	1,400.
WUSIH	無錫	129	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGCHOW	常州	168	8,400.	10,100.	4,200.	5,100.	2,100.	2,600.
TANYANG	丹陽	213	10,400.	12,500.	5,200.	6,300.	2,600.	3,200.
CHINKIANG WEST	鎮江西站	243	11,600.	14,000.	5,800.	7,000.	2,900.	3,500.
NANKING	南京	312	14,800.	17,800.	7,400.	8,900.	3,700.	4,500.

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6.45	8.00	8.15		11.30	16.00	16.15	D 上海北站 SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	
7.05	8.16	8.36	9.00	11.53	16.19	16.36	D 上海西站 SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	
7.49		9.46	10.29	12.38	17.03	17.46	A 松江 SUNGKIANG D	7.51	10.44	11.26	15.29	17.48		21.00	
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9.02	10.02	11.40	12.50	13.50	18.16	19.23	A 嘉興 KASHING D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	
9.16	10.08	11.50	13.15	13.58	18.26	19.33	D 嘉興 KASHING A		8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	D 峽石 YEHZAH D		8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	A 長安鎮 CHANGAN-TSENG D		7.27	8.58	10.40	15.06		17.42	19.34
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YEHZAH	峽石	126	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGANTSENG	長安鎮	151	7,600.	9,200.	3,800.	4,600.	1,900.	2,300.
HANGCHOW	杭州	190	9,200	11,100.	4,600.	5,600.	2,300.	2,800.

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